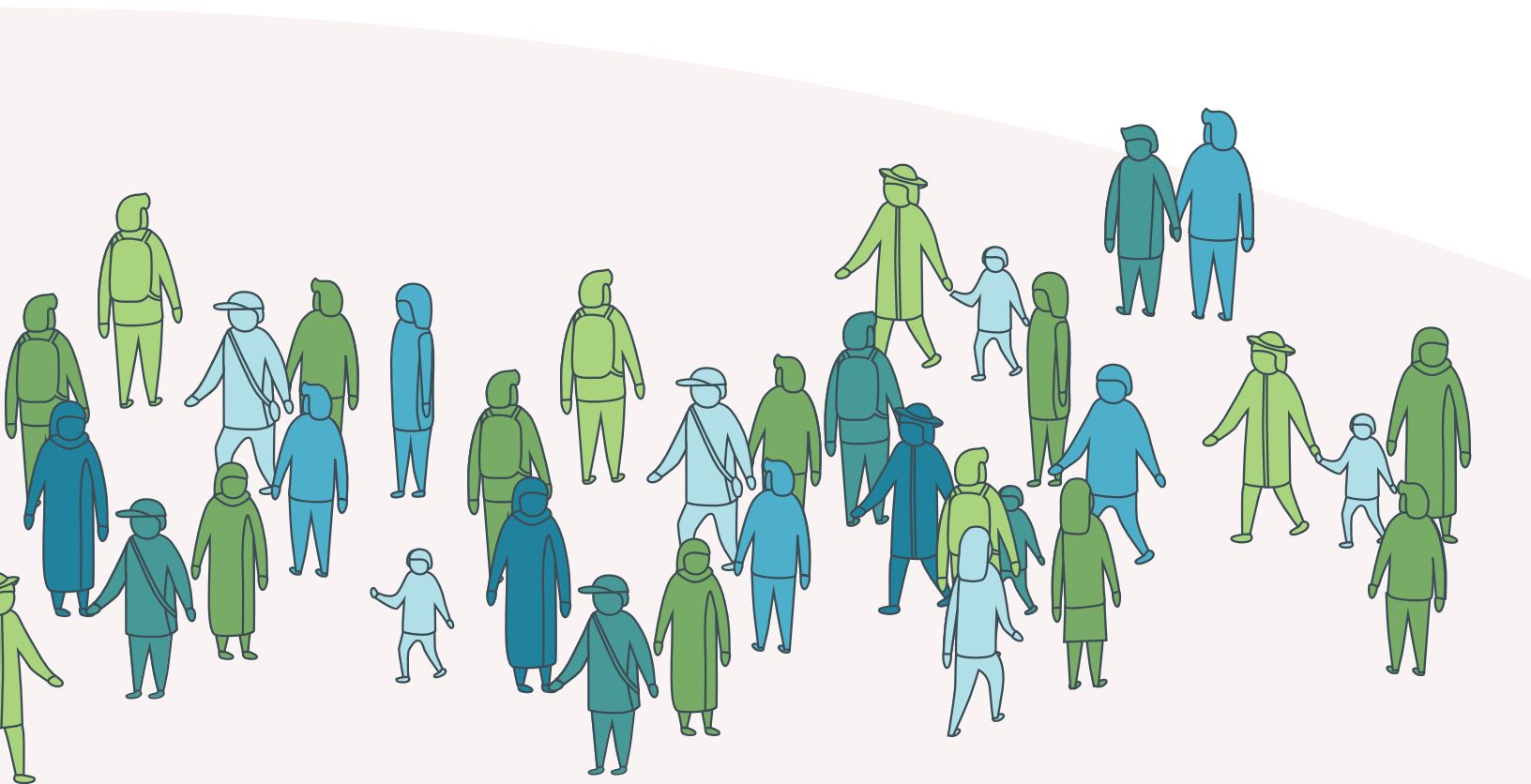


Doing What's Right For Our Community

Our Standards of Conduct



Doing What's Right For Our Community



Here at Augusta Health, we are entrusted to provide quality medical care, improve the overall health of our community, treat our patients as we expect to be treated, and put our patients and their families first every day. We are committed to achieving our mission in the Augusta Health Way, while acting with the highest ethical standards and in compliance with all laws, regulations and professional standards.

There is no margin of error on ethics and compliance, so we have developed the Augusta Health Standards of Conduct as part of our Compliance Program to provide all Augusta Health team members with guidance as we go about our daily work.

While it covers a great deal, the Standards of Conduct do not address every possible situation or circumstance you may find in the performance of your work. If you have questions or encounter something that you consider to be in conflict with your sense of fairness, honesty, and integrity (or simply a situation that doesn't feel right to you), please call the toll-free Compliance Hotline at **888-750-3230**.

In addition to the Compliance Hotline, we have additional resources available to you.

- Provide information through our anonymous and confidential online Compliance Hotline at **ComplianceHotline@AugustaHealth.com**.
- Access our anonymous and confidential online Compliance Hotline on Pulse under Tools and Resources: Compliance Hotline
- Contact Augusta Health's Corporate Compliance and Privacy Officer at **540-245-7455**.
- Speak with your supervisor/department director.
- Consult Augusta Health's online policies and procedures.

Our quest to be the very best requires a personal commitment with every action we take and every decision we make. We believe our Standards of Conduct will provide all of us with a reminder of who we are and what we value.

On behalf of our community-based Board of Directors, I thank you for your support in promoting the ethics and standards that define Augusta Health.

Sincerely,

A handwritten signature in black ink that reads "Mary N. Mannix".

Mary N. Mannix, FACHE
President and Chief Executive Officer



Our Standards of Conduct

Our Standards of Conduct reflect our values and the solid base upon which Augusta Health has been able—through the highest benchmark of ethics and in accordance with all applicable laws, rules, and regulations—to build a culture of care that goes the extra mile for our patients, while instilling a sense of commitment in our team members at every level of decision-making.

These standards provide guidance for our daily activities and apply to our relationships with patients, physicians, allied health professionals, third-party payers, subcontractors, vendors, consultants, and one another.

Our Standards of Conduct, in combination with our Corporate Compliance and Privacy policies and procedures, provide the guidance and direction that enable us to operate an effective compliance program and ensure that our patients benefit from the highest standards of professional conduct.

Our Mission

To strengthen the health and well-being of all people in our communities.

Table of Contents

Our Standards of Conduct	3
How Our Values Influence Our Compliance Standards	4
Patient- and Community-Centeredness	4
Professionalism	4
Excellence in All We Do	4
Teamwork: How We Do What We Do	4
Our Compliance-Related Responsibilities	5
Compliance Issues	6
Conflicts of Interest	6
Privacy	6
Emergency Treatment	7
Clinical Research	7
Company Information and Record Retention	8
Employment Requirements	8
Gifts and Entertainment	9
False Claims	10
Coding and Billing for Services Rendered	10
Arrangements with Physicians or Other Referral Sources	10
Investigations and Corrective Actions	11

How Our Values Influence Our Compliance Standards

Patient- and Community-Centeredness

A great patient experience is at the core of all that Augusta Health does. We carefully balance our operational priorities—patient safety, compassion, expertise, and efficiency—to ensure the best possible outcomes for our patients, their families, and our community. We must always prioritize our services and clinical care in the interest of being patient- family- and community-centered. We listen attentively to patients and families, recognize the stress they may be under, and treat them with dignity and respect.

Professionalism

We treat everyone with respect, dignity, and fairness and expect that team members will do the same — we are all healthcare professionals. No matter what our role at Augusta Health, we pledge to do our jobs to the best of our ability. We serve as brand ambassadors for the organization. Our work, conduct, commitment, and attitude directly influence the patient experience; our professional appearance, attitude, and behavior matter to our patients and our community. We must adhere to the highest ethical, professional, and legal standards, acting with integrity and in accordance with the Augusta Health Way.

Excellence in All We Do

We are committed to performing and providing clinical quality at the highest levels at all times. Quality and safety are Augusta Health's highest priorities and foremost strategic goals. We are on a journey to become a high-reliability organization with the goal of eliminating all serious safety events to our patients and staff.

Teamwork: How We Do What We Do

Teamwork enables us all to do the right thing even if it's not the easy thing. Teamwork is recognizing contributions from every source: from the voluntary Board of Directors to patients, team members, medical staff, allied health professionals, third-party payers, subcontractors, volunteers, vendors, and consultants.



Our Compliance-Related Responsibilities

We all have demanding jobs—and lives. But compliance is everybody’s responsibility! These Standards of Conduct serve as a roadmap for practicing in an ethical way. As caregivers and administrators, we can and must practice these principles when doing anything that pertains to our workplace—on our own, in teams, and as members of our communities.

Become Educated

All team members must attend a general education session about the Standards of Conduct/Compliance Program during their new team member orientation, with mandatory follow-up reviews. Each department also provides orientation and training on compliance issues for its own specific department. Education and updates on high-risk topics and key issues are provided by departments that are a part of the compliance and auditing plan.

Report Issues in a Timely Manner

You must immediately report any violations of laws, regulations, or Augusta Health policies and procedures of which you are aware. Potential compliance issues must be reported as soon as they are discovered. Report them by calling the Compliance Hotline at [888-750-3230](tel:888-750-3230). You can also report issues to the Corporate Compliance and Privacy Officer, a supervisor, department director, or administrative leader, or Provide information through our anonymous and confidential online Compliance Hotline at ComplianceHotline@AugustaHealth.com. Access our anonymous and confidential online Compliance Hotline on Pulse under Tools and Resources: Compliance Hotline

All individuals have the right to report compliance issues in good faith and will not face retribution or retaliation.

Examples of compliance issues and violations

- HIPAA (Health Insurance Portability and Accountability Act) or Patient Privacy Issues
- Physician Arrangement Issues/Stark and Anti-Kickbacks
- Violations of Company Policy
- False/Falsification of Documentation
- Inappropriate Charging/Billing/Coding
- Failure to Secure Required Patient Information
- Licensure Exclusions or Sanctions
- Ethical Violations
- Lack of Medical Necessity
- Quality of Care/Safety Issues
- Drug Diversion
- Emergency Medical Treatment and Active Labor Act (EMTALA) Violations
- Unprofessional Behavior

Our Vision

Augusta Health will be a national model for a community-based health system.

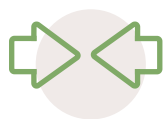
The Augusta Health Way

Together, we build trust and peace of mind for our community by creating personalized, compassionate care, close to home, never alone.



Ask Questions: You have a responsibility to understand the policies, procedures and guidelines pertaining to your job. If you don’t understand something, ask questions.

Compliance Issues



Conflicts of Interest

What is a conflict of interest?

You are expected to make decisions in your job that are in the best interests of patients and the organization. A conflict of interest is when your personal interests might interfere with making those decisions. A conflict of interest also exists when it simply appears that your decision could be inappropriately influenced.

How do I avoid a conflict of interest?

You must not make any decisions that put your own interests ahead of the interests of patients or Augusta Health. You may not work for or provide services for any business or person who does business with Augusta Health without disclosing and reporting it as a potential conflict of interest. Within your work responsibilities, you must also report any time you do business with a company that is owned by or employs a member of your family or close friend. Certain team members are required to sign a conflict of interest statement when hired and periodically disclose any potential or actual conflicts as they may arise.

Example of Reportable Issue

If you are responsible for purchasing equipment and a member of your family works for the vendor, you must report that relationship as a potential conflict of interest. You may not participate in the purchasing decision regarding that vendor.



Clinical Research

Augusta Health provides our patients with comprehensive treatment. This includes access to qualified clinical trials and research within our community. We comply with all federal standards and regulations when conducting research and clinical trials with human subjects.

Our first priority is to protect human subjects and respect their rights during research and clinical trials. We follow the highest standards and assure that all studies are approved and reviewed by our Institutional Review Board. This ensures the safety and appropriateness of the research. Conflicts of interest are evaluated before approving a study. Participation in clinical trials is completely voluntary. Patients are not pressured or given unlawful or inappropriate financial incentives to participate.

The physician who conducts a specific trial is responsible for providing patients with sufficient information about the risks and benefits of treatment so they can make an informed decision. A patient's voluntary informal consent to participate in a clinical trial is documented. It is a part of the patient's medical record. A patient may withdraw from a study at any time. This will not affect the patient's medical care and treatment.

Augusta Health is truthful and accurate when billing for the services and treatments provided during a research study. The costs that are paid for and provided by a sponsor are not billed to anyone else.

How to Report an Issue

Compliance issues should be reported immediately to the Compliance Hotline at 888-750-3230 or to the Corporate Compliance and Privacy Officer, a supervisor, department director, or administrative leader.



Privacy

PHI is any information or combination of information that could identify an individual patient. Some examples of individual PHI may include names, addresses, phone numbers, Social Security numbers, medical record numbers, medical conditions, treatments, medications, and family history. We must comply with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) when we access, use, process, or disclose PHI. Except for certain emergency situations and in accordance with HIPAA, we never share PHI without proper authorization unless required by law. Alcohol and substance abuse treatment records as well as mental health records are held to a higher standard under the law. If you need more information on the protection of this information and when it can be released, please read the Notice of Patient Privacy Practices and Augusta Health policies and procedures, or contact the Corporate Compliance and Privacy Officer.

How do I avoid privacy issues?

You only have the right to know the patient information necessary to do your job. You may only use and disclose the minimum amount of information necessary for doing your job. No one, regardless of position, has a right to any other patient information, unless by an exception under law. Patients are told about our privacy practices when they are admitted or during their first outpatient visit.



Emergency Treatment

Augusta Health follows and abides by the Emergency Treatment and Active Labor Act (EMTALA). This means we provide an emergency medical screening examination and necessary medical treatment to stabilize a patient regardless of the patient's ability to pay. If we cannot provide the necessary treatment, we provide an appropriate transfer to a facility that has the capability and capacity to treat the patient. Patients with emergency medical conditions are only transferred to another facility at the patient's request or if the patient's medical needs cannot be met at Augusta Health. Emergency medical treatment is never delayed in order to inquire about the patient's method of payment or to seek authorization from the patient's insurance carrier for screening or stabilization services.

Examples of reportable issues

If you encounter any of the following situations, please report them immediately:

- Inappropriate verbal or written disclosure of Protected Health Information
- Inappropriate access of Protected Health Information
- Inappropriate disposal of Protected Health Information
- Protected Health Information sent via unencrypted electronic transmission
- Misdirected email containing Protected Health Information
- Misdirected fax containing Protected Health Information
- Failure to follow Augusta Health's privacy policies and procedures
- Use of Protected Health Information for personal gain
- Suspected identity theft



How to Report an Issue

Compliance issues should be reported immediately to the Compliance Hotline at 888-750-3230 or to the Corporate Compliance and Privacy Officer, a supervisor, department director, or administrative leader.



Company Information and Record Retention

Augusta Health team members are responsible for the integrity and accuracy of our documents. Many people — both inside and outside of the organization — depend on this information to be truthful and accurate. Information should never be falsely documented for any reason. If an error in documentation is identified, the error must be corrected promptly. This is consistent with our policies and procedures.

All records are maintained according to the law. They are also maintained according to our policies on record retention. Medical and business records include paper documents, computer-based information and documentation, and any other medium that contains information about the organization or its business activities. Augusta Health team members must retain and/or destroy records with approval and only according to Augusta Health policy. Records relevant to an investigation must never be destroyed.

How do I avoid inappropriate information sharing and records issues?

Never use information or provide information to others for their own personal gain. An example of this is identity theft. All non-public information is confidential and should not be shared with others unless it is for official Augusta Health business or as required by law. No team member may ever disclose confidential Augusta Health information to others without proper authorization.



Employment Requirements

Augusta Health team members are required to maintain all credentials, licenses, and certifications that are necessary to do our jobs. Team members, independent contractors, and privileged practitioners are not allowed to work without proof of a current license or credentials.

We screen all Augusta Health team members, affiliated medical staff/allied health professionals, and contracted vendors on hire/contract by checking for name matches against the Office of the Inspector General (OIG) List of Excluded Individuals/Entities and the System for Award Management (SAM) Exclusions List (formerly known as the General Services Administration [GSA] Excluded Party List System) which also includes the U.S. Department of Treasury Specially Designated Nationals (SDN) List.

We do this screening to make sure that individuals or companies have not been excluded from participating in Medicare and other federal healthcare programs. Examples of reasons for exclusion include convictions for healthcare fraud, revocation of licensure, and failure to pay a federal school loan.

We do not hire, contract with or bill for services rendered by persons or entities that are excluded from participating in federal healthcare programs by the Department of Health and Human Services or the U.S. General Services Administration. Augusta Health team members, affiliated medical staff/allied health professionals, and contracted vendors are required to self-report any changes to their eligibility to participate in federal healthcare programs to Human Resources, the Medical Staff Office or the Compliance Department.

Augusta Health team members receive an annual performance evaluation. Adherences to the Standards of Conduct is evaluated as part of this review.

How do I avoid issues with employment requirements?

Maintain all credentials, licenses and certifications that are necessary to do your job and meet other requirements of your position.



Gifts and Entertainment

All gifts and entertainment, whether offered, provided, or received, must be reasonable, occasional, and small enough to avoid seeming improper. It is important to avoid the appearance of impropriety when giving gifts to individuals who do business with us or seek doing business with us.

Accepting gifts and business entertainment from business associates should be limited. Augusta Health team members may accept gifts of nominal value of \$100 or less. Gifts and business entertainment should not influence business relationships. For the purpose of this paragraph, physicians practicing at Augusta Health facilities are considered to have such a relationship.

Business vendors and their representatives must comply with the PhRMA Code on Interactions with Healthcare Professionals or the Business Vendors Code when interacting with Augusta Health for the provision of information on new products or devices. Education and training may occasionally be provided in an office or hospital setting in a manner that is conducive to scientific or educational interchange and is not part of an entertainment or recreational event. A modest meal (e.g., sandwiches, pizza) may be provided by the vendor for those who attend the presentation. Providing modest meals on more than an occasional basis is not appropriate.

Gifts and entertainment should never be offered or accepted in exchange for or as an inducement, or as a reward for business or referrals to our organization. All gifts must be of small enough value that they do not influence business decisions. Gifts or entertainment provided to physicians (referral sources) must comply with federal regulations and

annual limitations. They must be reported to the Compliance Department and tracked using the non-monetary compensation log in accordance with Augusta Health policy.

Team members must never ask for gifts and entertainment from anyone. Cash or cash equivalents (checks, money cards, gift certificates, and stocks) may not be accepted or awarded to others.

Gifts from patients wishing to show their gratitude may be accepted if they are perishable, of nominal value, and they are shared with other team members within a department (e.g., baked goods, basket of fruit).

Augusta Health does not provide gifts, entertainment, meals, or anything of value to any team member of the Executive Branch of the Federal Government or its fiscal intermediaries. Gifts to Medicare or Medicaid beneficiaries must not exceed \$10.00 per item or \$50.00 per year per recipient.

Any team member who wishes to attend a seminar, training program, or event sponsored by an independent contractor or vendor must consult his or her supervisor. If an outside business is paying for the Augusta Health team member to attend, the cost must be related to the event only and be of reasonable cost. For example, an outside business may not provide tickets to a sporting event taking place outside of the training program.

How do I avoid issues with employment requirements?

Do not accept any gifts of more than \$100. If you have a question about the appropriateness of a gift, contact the Compliance Hotline or the Corporate Compliance and Privacy Officer before accepting it.

How to Report an Issue

Compliance issues should be reported immediately to the Compliance Hotline at 888-750-3230 or to the Corporate Compliance and Privacy Officer, a supervisor, department director, or administrative leader.



False Claims

The Virginia Fraud Against Taxpayers Act and the False Claims Act are state and federal laws that have serious penalties for anyone who knowingly submits a false claim to the Federal Government for payment. These penalties may include heavy fines and potential for exclusion from participation in federal health programs. These laws also provide that anyone with actual knowledge of an alleged false claim may file a lawsuit in federal court on behalf of the government. This is under the “Whistleblower” Provision of the False Claims Act. If the claim is accepted and is successful, the individual may receive a percentage of the amount recovered.

Examples of False Claims

Examples of false claims include billing for services that are not actually provided or are not medically necessary, or falsifying records to indicate a more serious illness in order to increase reimbursements. Other false claims are duplicate billing for services provided or billing separately for services that should be billed as a single service.



Coding and Billing for Services Rendered

Augusta Health is committed to accurate and truthful billing based on the services that are ordered and provided to each patient.

Many Augusta Health team members contribute to the coding and billing process. It is very important that every team member, including physicians / Advanced Practice Providers or allied health professionals who document in the medical record, pay close attention. It is everyone’s responsibility to be sure that the information provided is accurate, complete and timely.

Medical record documentation must support medical necessity for the care provided. Medical record diagnoses are assigned based on medical record documentation provided by the physician/allied health professional. Our coding is based on documentation contained in the medical record and is performed in an accurate and timely manner.

The designation of a hospitalized patient as an inpatient, an outpatient, or an outpatient with observation services is based on the physician’s order, with evidenced-based medical necessity criteria serving as a decision-making guide. Changes in a patient’s hospitalization status are ordered by the physician / Advanced Practice Provider and approved by the physician. Evaluation and management codes are assigned according to the level of service and the intensity of the care provided.

Medicare and Medicaid patients may present with orders for and request services that are not considered medically necessary or are not considered to be a covered benefit. In this situation, the patient has financial responsibility for the treatment. We give the patient a written notification called the Advance-Beneficiary Notice (ABN). This notice is given to the patient before treatment to explain that the charges will be the patient’s responsibility.

Patient accounts are regularly monitored and audited. Credit balances or errors in billing are processed and refunds are issued in a timely manner.





Arrangements with Physicians or Other Referral Sources

Federal and state laws and regulations govern the relationship between hospitals, physicians, and other providers who refer patients to Augusta Health. The federal laws include the Anti-Kickback Statute and the Stark Law. Virginia state law and federal laws prohibit accepting or providing anything of value in exchange for patient referrals, services, or supplies when any of the costs of these goods or services are paid for by government programs like Medicare, Medicaid, and TriCare.

Augusta Health team members who assist with negotiating physician agreements, making payments to physicians for services provided, providing leased space to physicians, recruiting physicians to the community, and arranging for physicians to serve in leadership positions must maintain an awareness of

the requirements of the laws, regulations and policies that address relationships between Augusta Health and physicians.

All financial agreements with physicians or other referral sources must be necessary for a legitimate business purpose, set forth in writing at fair market value, and fully executed by all parties involved. Payments to physicians and other referral sources must be made according to a written agreement and should not exceed the fair market value of the services rendered.

Augusta Health does not pay for referrals or accept payment for referrals made to other entities.

Augusta Health does not consider the volume or value of referrals in establishing compensation under agreements with physicians or other referral sources.



Investigations, Audits, Surveys, and Corrective Actions

All good-faith compliance concerns are thoroughly investigated within a reasonable timeframe. Investigations may result from team member reports, internal monitoring and auditing activities, patient complaints, or findings of outside agencies.

If a governmental, regulatory, or accreditation auditor or surveyor arrives to conduct an audit or survey, they should be directed to administration, or to the administrator on call (AOC). The administrative desk or AOC will then contact the appropriate administrative staff and the Corporate Compliance and Privacy Officer to assist with his or her investigation. If this occurs after hours or on a weekend, notify the House Supervisor. Before providing information to an investigator, it is important to obtain positive identification and to discover the purpose of the investigation and the subject of any interviews that may be conducted. The appropriate administrative staff and the Corporate Compliance and Privacy Officer should be consulted. They will provide direction and guidance regarding participation in the investigation and the release of any requested information. It is essential to provide the highest level of cooperation and transparency in any government or regulatory investigation.

The Corporate Compliance and Privacy Officer will conduct routine and “for cause” investigations.

Investigations may include recommendations for further action. You may be contacted to provide information and contribute to an investigation. It is your responsibility to provide any information that may assist the Corporate Compliance and Privacy Officer in the investigation in a timely manner.

Whenever an audit, investigation, or inspection reveals errors or deficiencies in our procedures, corrective action will be taken. Corrective actions may include restitution of overpayments, policy or system changes, additional education, and/or disciplinary action.

Augusta Health team members are subject to disciplinary action for failure to comply with ethical standards of legal requirements. Possible disciplinary actions of Management and Human Resources may include:

- **Coaching and Education, which may include team member suspension**
- **Written Counseling, which may include team member suspension**
- **Final Counseling, which may include a disciplinary suspension (as appropriate)**
- **End of Employment Relationship**

Certain serious violations of conduct may lead to the immediate End of Employment Relationship. These causes for End of Employment include, but are not limited to, violations of the Standards of Conduct and the Compliance Program.



78 Medical Center Drive
Fishersville, VA 22939

540-332-4000 Staunton
540-932-4000 Waynesboro
800-932-0262
augustahealth.com

