



<b>Policy Title:</b> Reporting Suspected Compliance Program Violations			
<b>Department Responsible:</b> THN Compliance & Integrity	<b>Policy Number:</b> CIT-002	<b>THN's Effective Date:</b> January 1, 2022	<b>Next Review/Revision Date:</b> September 30, 2023
<b>Title of Person Responsible:</b> THN Director of Compliance	<b>THN Approval Council:</b> THN Board of Managers	<b>Date Approved:</b> August 29, 2022	<b>Date Approved by THN Board of Managers:</b> August 29, 2022

## I. Purpose:

- A. The purpose of CIT-002 is to provide (1) a statement of Triad HealthCare Network's (THN's) policy with respect to confidentiality, non-retaliation, and investigation of reports of suspected non-compliance and, corrective and disciplinary actions taken in response to identified non-compliance, as well as programmatic corrective actions, and (2) procedures to ensure that THN's practices are consistent with its stated policies.

## II. Policy:

- A. THN Related Individuals are required to report any suspected non-compliance with applicable laws or regulations, THN's Compliance Plan, Code of Conduct, Policies and Procedures, or other applicable THN requirements. THN shall provide the necessary infrastructure to facilitate such reporting, including a Confidential Compliance Reporting Tool pursuant to CIT-002 that allows individuals to report suspected non-compliance anonymously.
- B. Individuals submitting such reports of non-compliance in good faith shall not be subject to retaliation or any form of harassment.
- C. THN shall appropriately investigate reports of any suspected non-compliance with applicable laws or regulations, the Compliance Plan, Code of Conduct, Policies and Procedures or other applicable THN requirements, and document the findings of those investigations pursuant to CIT-003.
- D. THN shall take appropriate and consistent corrective action to address both programmatic deficiencies in its Compliance Program and instances of non-compliance by THN Related Individuals. Any individual violating THN's Compliance Plan, Policies and Procedures, Code of Conduct, applicable laws, or regulations, or other applicable THN Network



requirements shall be subject to discipline, as relevant and appropriate, up to and including termination.

### **III. Procedures:**

#### **A. Response to Report:**

1. Where an individual has made a good faith report of an activity or practice that the individual believes violates or may violate applicable laws or regulations, the Compliance Plan, Code of Conduct, Policies and Procedures, or other applicable THN requirements, THN's Compliance Officer shall:
  - a. Communicate THN's appreciation to the individual for making the report, as appropriate.
  - b. Strive to keep the identity of the reporting individual confidential; and
  - c. Inform the reporting individual (if known) that there may come a point in time where his or her identity may become known or may have to be revealed (e.g., if government authorities become involved in the investigation).
  - d. Follow-up should be provided, as appropriate and possible, with the original reporter to ensure closure of the case.

#### **B. General Rule:**

1. When an individual has made a report (internally or externally) of an activity, practice, or arrangement that the individual in good faith believes violates or may violate laws or regulations, THN's Compliance Plan, Code of Conduct, Policies and Procedures or other applicable THN requirements:
  - a. THN shall in no way impede, prohibit, or dissuade the individual from reporting suspected Compliance Program violations.
  - b. THN shall not retaliate or engage in retribution (including discharge, demotion, suspension, denial of promotion, or discrimination) against, or otherwise harass in any manner, the individual for making a report, provided such report was made in good faith and the individual was not involved in the misconduct at issue.
  - c. Any THN Related Individual who is involved in any act of retaliation, retribution, or any form of harassment - either committing the act or condoning it - against a person who reports a compliance concern will be subject to disciplinary action, up to and including termination of participation in THN.

#### **C. Self-Disclosure of Participation in Non-Compliance.**

1. Notwithstanding its commitment not to retaliate for reporting known or suspected Compliance Program violations, THN shall take appropriate corrective and/or disciplinary action against any individual who violates THN's Compliance Plan, Policies and Procedures, Code of Conduct or applicable laws or regulations, regardless of whether that individual reported such violation.
2. As set forth in CIT-002, however, the fact that the individual reported his or her own misconduct - and the truthfulness and completeness of that self-disclosure - may be a mitigating factor in determining the severity of any corrective and/or disciplinary action.
3. No corrective and/or disciplinary action shall be taken against any individual who mistakenly reported what he or she reasonably and in good faith believed to be an act of non-compliance or a Compliance Program violation. However, an individual may be subject to corrective and/or disciplinary action if it is determined that the report of wrongdoing or suspected Compliance Program violation was not made in good faith (e.g., was knowingly fabricated, distorted, exaggerated, or minimized in order to injure someone else, protect himself/herself or for any other reason).
4. Any THN Related Individual who misuses the Confidential Compliance Reporting Tool or attempts to interfere with efforts to investigate or address a possible compliance issue is subject to corrective and/or disciplinary action, up to and including termination of participation in THN.

**D. Preliminary Evaluation:**

1. Upon receipt of a report concerning a compliance-related review, a Confidential Compliance Reporting Tool report or other information suggesting a possible compliance issue, THN's Compliance Officer (or his/her designee) shall record the information in the Compliance Log as set forth in CIT-003.
2. THN's Compliance Officer (or his/her designee) must (a) make a preliminary, good faith inquiry into all reported allegations of non-compliance with applicable laws or regulations, the Compliance Plan, Code of Conduct, Policies and Procedures or other applicable THN requirements and (b) determine whether further review is necessary. If THN's Compliance Officer determines that no additional review is necessary, this decision shall be documented (with a brief explanation for the determination) in the Compliance Log.
3. For any disclosure that is sufficiently specific so that it (a) reasonably permits a determination of the appropriateness of the alleged improper practice and (b) provides an opportunity for taking



corrective action, THN's Compliance Officer shall conduct an internal review of the allegations set forth in the disclosure and ensure that proper follow-up is conducted, as set forth below.

**E. Investigators:**

1. The internal investigation of suspected non-compliance shall be initiated and overseen by THN's Compliance Officer (or his/her designee). THN's Compliance Committee members and other staff, as appropriate, shall be available to assist THN's Compliance Officer, as needed.
2. Depending on the nature and severity of the suspected non-compliance, THN's Compliance Officer may utilize outside legal counsel to assist in conducting an internal investigation.

**F. Investigation:**

1. In conducting an internal investigation, investigators for THN shall, as necessary:
  - a. Take steps to secure, and prevent the destruction of, documents and other evidence relevant to the investigation.
  - b. Review relevant documents.
  - c. Review all applicable policies, procedures, laws, and regulations.
  - d. Interview persons with relevant information; and
  - e. Take all reasonable and necessary steps to stop any ongoing misconduct.

**G. Documentation:**

1. Upon conclusion of the investigation, written documentation will be prepared by THN's Compliance Officer (or his/her designee) that includes:
  - a. The nature of the problem;
  - b. The investigation scope and procedures;
  - c. Consistent with policy, the identity of the people involved and the degree of culpability of said individuals; and
  - d. Any findings and recommended corrective actions, discipline, or programmatic corrections.
2. THN shall maintain written reports, copies of any work papers, interview notes and any other key documents related to the investigation in Compliance Program files, consistent with PCC-001 but, in no case, for a period of less than ten years.
3. In connection with any internal investigation, THN shall maintain in a confidential and secure fashion any documents, whether electronic or hard copy, that are attorney-client communications or covered by the attorney work-product privilege. Any such documents should be appropriately labeled or stamped as attorney-client privileged or



attorney work product and maintained consistent with CIT-003 but, in no case, for a period of less than ten years. However, failure to label such documents in this manner will not mean the documents are not protected under the attorney-client privilege or attorney work-product doctrine.

**H. Corrective Action and/or Disciplinary Action:**

1. THN shall take appropriate action to correct internal operational or programmatic deficiencies that are identified by the THN Compliance Officer in connection with the report prepared pursuant to CIT-002.
  - a. If the violation involves an ongoing activity or practice, then (a) the activity or practice shall be stopped and (b) legal counsel shall be notified of the violation.
  - b. If the same or a similar violation could or might be prevented in the future by making changes to THN Policies and Procedures, Code of Conduct, or otherwise, such changes shall be considered, developed, instituted, and promptly communicated to all affected individuals.
  - c. In developing and implementing programmatic corrective actions, THN may consider and employ any other appropriate corrective action that may be needed.
2. Any THN Related Individual who has violated any applicable laws or regulations, the Compliance Plan, Code of Conduct, Policies and Procedures and/or other applicable THN requirements shall be subject to a corrective action plan and/or disciplined, as appropriate.
3. THN also may take corrective action and/or disciplinary action against individuals who fail to detect or report non-compliance on the part of individuals under their supervision. Failure to detect non-compliance means that the individual knew or reasonably should have known about the non-compliance but failed to identify the relevant conduct as potentially violative of applicable laws or regulations, the Compliance Plan, Code of Conduct, Policies or Procedures and/or other applicable THN requirements.
4. Corrective and/or disciplinary action of THN Related Individuals may take one or more of the following forms:
  - a. Verbal warning/reprimand;
  - b. Written warning;
  - c. Final written warning;
  - d. Involuntary termination.

5. When corrective and/or disciplinary action is appropriate, the severity of the action will depend on a variety of factors, including, but not limited to:

- a. The nature and severity of the violation;
- b. Whether the violation was committed intentionally, recklessly, negligently, or accidentally;
- c. Whether the individual had previously violated any laws, regulations, the Compliance Plan, Code of Conduct or Policies and Procedures;
- d. Whether the individual self-reported his or her non-compliance; and
- e. Whether (and the extent to which) the individual cooperated with THN in connection with its investigation of the non-compliance.

6. The determination of the appropriate disciplinary action for compliance or legal obligations will be made by THN's Compliance Officer, in consultation with THN's Chief Executive Officer, the Board of Managers, and the individual's supervisor, as appropriate.

**I. Disclosure; Restitution:**

- 1. If THN's Compliance Officer believes that there has been a probable violation of applicable laws or regulations, the Compliance Plan, Code of Conduct, Policies and Procedures or other applicable THN requirements, THN shall determine whether the Company should:
  - a. Make a report to appropriate government authorities (including making a report to the HHS-OIG); and/or
  - b. Make a payment of any kind to the government or other entity or person (if a program overpayment has been determined); and/or
  - c. Perform other types of remedial action (including disciplinary action). In making such a determination, THN may consult with outside counsel, as appropriate.

**J. Continual Monitoring and Follow-Up Audits:**

- a. Any issue for which corrective action is taken will be targeted for monitoring and reviewed in future audits of that division or segment, pursuant to CIT-002. Pertinent information learned during investigations will be incorporated into division/segment education and training, as appropriate.

Date	Reviewed	Revised	Notes
January 1, 2022			Originally Published
August 2022	X		No changes