AUDIT COMMITTEE
MEETING AGENDA

April 12, 2016
2:30 P.M.

125 Worth Street,
5th Floor - Rm. 532
Board Room

CALL TO ORDER — Dr. Lilliam Barrios-Paoli

- Adoption of Minutes February 11, 2016 — Dr. Lilliam Barrios-Paoli

ACTION ITEMS

- **Resolution** — Mr. Chris Telano

  Authorizing the President of the New York City Health + Hospitals ('the Corporation") to negotiate and execute a contract with Loeb & Troper LLP, CPAs for Annual Financial and Compliance Audits of twenty-two (22) Corporation Auxiliaries. This contract is for audit services for calendar years 2015 through 2017 with two separate one year renewal options in an amount not-to-exceed $855,000. The Corporation, at its sole option and discretion, may renew this Agreement for an additional one or two successive one-year term(s).

- **Resolution** — Mr. Wayne McNulty

  Adopting the New York City Health and Hospitals Corporation (hereinafter "NYC Health + Hospitals" or the "System") Principles of Professional Conduct ("POPC"), which, as required pursuant to 18 N.Y.C.R.R. § 521.3 (c)(1), and as recommended under the U.S. Department of Health and Human Services Office of the Inspector General Compliance Program Guidance to Hospitals (1998) and the U.S. Sentencing Commission Guidelines (2015), sets forth in writing NYC Health + Hospitals' compliance expectations and commitment to comply with all applicable Federal and State laws.

OLD BUSINESS

NEW BUSINESS

ADJOURNMENT

MINUTES

AUDIT COMMITTEE

MEETING DATE: February 11, 2016
TIME: 12:30 PM

COMMITTEE MEMBERS
Emily Youssouf, Chair
Josephine Bolus, RN
Mark Page

OTHER MEMBERS OF THE BOARD
Dr. Lilliam Barrios-Paoli

STAFF ATTENDEES
Antonio Martin, Executive Vice President/COO
Salvatore Russo, General Counsel, Legal Affairs
Colicia Hercules, Chief of Staff, Chairman's Office
Patricia Lockhart, Secretary to the Corporation, Chairman's Office
PV Anantharam, Senior Vice President/Corporate Chief Financial Officer
Julian John, Corporate Comptroller
Gassenia Guilford, Assistant Vice President, Finance
Christopher A. Telano, Chief Internal Auditor/AVP, Office of Internal Audits
Wayne McNulty, Corporate Compliance Officer
Devon Wilson, Senior Director, Office of Internal Audits
Chalice Averett, Director, Office of Internal Audits
Carol Parjohn, Director, Office of Internal Audits
Steve Van Schultz, Director, Office of Internal Audits
Delores Rahman, Director, Office of Internal Audits
Carlotta Duran, Assistant Director, Office of Internal Audits
Frank Zanghi, Audit Manager, Office of Internal Audits
Rosemarie Thomas, Audit Manager, Office of Internal Audits
Roger Novoa, Senior Auditor, Office of Internal Audits
Armel Sejour, Senior Auditor, Office of Internal Audits
Melissa Bernaudo, Senior Auditor, Office of Internal Audits
Sam Malla, Senior Auditor, Office of Internal Audits
Gillian Smith, Senior Auditor, Office of Internal Audits
Barbarah Gelin, Senior Auditor, Office of Internal Audits
Doriana Alikaj, Staff Auditor, Office of Internal Audits
Erica Nairne-Hamilton, Staff Auditor, Office of Internal Audits
Jean Saint-Preux, Staff Auditor, Office of Internal Audits
Linda Maldonado, Staff Auditor, Office of Internal Audits
Roshney Kaur, Staff Auditor, Office of Internal Audits
Sandy Bhigroog, Staff Auditor, Office of Internal Audits
Conny Lizarazo, Executive Secretary, Office of Internal Audits
L. R. Tulloch, Senior Director, Office of Facility Development
Sam Servello, 1st Deputy Compliance Officer, Central Office
William Hicks, Interim Executive Director, NYC H + H/Bellevue Hospital
Anthony Rajkumar, Executive Director, NYC H + H/Metropolitan

Jay Weinman, Chief Financial Officer, NYC H + H/Bellevue
Caswell Samms, Chief Financial Officer, NYC H + H/Harlem
Anthony Saul, Chief Financial Officer, NYC H + H/Kings County
Paul Pandolfini, Chief Financial Officer, NYC H + H/Coney Island
Elsa Cosme, Chief Financial Officer, NYC H + H/Gouverneur
Tracy Green, Chief Financial Officer, NYC H + H/Metropolitan
Martin Novzen, Senior Executive Director, NYC H + H/Woodhull
Diana Santos, Associate Executive Director, NYC H + H/Bellevue
Kiho Park, Associate Executive Director, NYC H + H/Queens
Floyd Long, Associate Executive Director, NYC H + H/Carter/Coler
George Bonanno, Associate Executive Director, NYC H + H/Metropolitan
Ron Townes, Associate Director, NYC H + H/Kings County
Joseph Prabhaker, Associate Director, NYC H + H/Metropolitan
Hinnah Farooqi, Pharmacy Director, NYC H + H/Harlem
Ronnell Boylan, Captain, NYC H + H/Harlem
Nadeem Aslam, Assistant Director, NYC H + H/Harlem
Timi Diyaolu, Controller, NYC H + H/Bellevue

OTHER ATTENDEES
PAGNY: David N. Hoffman, Compliance Officer

FEBRUARY 11, 2016
AUDIT COMMITTEE
MINUTES

An Audit Committee meeting was held on Thursday, February 11, 2016. The meeting was called to order at 12:30 PM by Ms. Youssouf, Committee Chair. Ms. Youssouf asked for a motion to adopt the minutes of the Audit Committee meeting held on December 1, 2015 and an additional motion was made and seconded to hold an Executive Session of the Audit Committee.

Ms. Youssouf introduced the action item by stating that Sal Russo, General Counsel, will read a proposed resolution.

Mr. Russo saluted everyone and stated that I will read the resolution and offer it up to the Board members for a motion, which is waiving under Public Authorities accountability Act, PAAA any presumed conflict incident to the engagement of KPMG, LLP, to provide information technology consulting services while at the same time serving as the auditors of the New York City Health and Hospitals Corporation, also known as NYC Health and Hospitals. If somebody will move that resolution.

Ms. Youssouf said that I would like to have a motion to move it.

Mrs. Bolus said so moved.

Ms. Youssouf then asked the individuals to the table and to introduce themselves and explain what this engagement is about.

Ms. Brenda Schultz introduced herself as Assistant Vice President, Enterprise IT Services and Mr. Sal Guido introduced himself as Interim Chief Information Officer.

Ms. Schultz stated that for the record we do have representatives from KPMG with us sitting in the audience as well. In terms of background for this specific resolution, Enterprise IT Services had previously issued an RFP for both Epic EMR and non-EMR IT consulting services. When we issued that RFP, the intention was to award contracts that were basically requirement contracts that would be used on an as-needed basis.

In response to that RFP, we had received approximately 50 vendor proposals, and of those 50 vendor proposals, we had identified 20 vendors for award. One of those vendors that was identified for award is KPMG, and I'll actually defer to counsel in terms of getting the explanation of why this is necessary in order to go to Audit Committee.

Mr. Russo stated that the Public Authorities Accountability Act (PAAA), in its wisdom wanted to preserve the independence of external auditors, and in order to do that, they believe that if there were any other engagements besides the routine auditing services that an independent auditor would perform, in order to ensure the fact that the audit – that the corporation, whichever corporation or

public authority, was sufficiently protected, there would be a request to have the matter considered by the Audit Committee of that entity to see if the question would be is this contract believed to influence the independence of the auditors by awarding a contract of this nature.

Ms. Youssouf asked to explain if it's the same people who do our audit work?

Ms. Schultz responded that no, it's not. It is two different divisions within KPMG that are kept separate, and another item I wanted to note for the record as well is that since these are requirements contracts, prior to awarding any new scopes of work or new work orders, we go through a solicitation process, which multiple vendors are solicited.

In addition to the resolution before you, in the event that KPMG is selected for a particular award, we would then report to the Audit Committee in advance of that particular engagement giving a description of what the scope of work is as well as why KPMG is selected for that particular award.

Ms. Youssouf asked if there were any questions from the Committee?

Mr. Russo stated that my co-counsel by association has reminded me to let the Audit Committee know that this is an action only by the Audit Committee. It does not go before the entire Board, so your decision is final.

Ms. Youssouf asked for a motion to approve and it was seconded.

Ms. Youssouf then turned the meeting over to Mr. Chris Telano for the audit update.

Mr. Telano saluted everyone and stated that to start the first audit item I will be speaking about is of transaction control errors (TCE). We performed this review at Bellevue Hospital. As you can see from the diagram on page three, the registration system, which is Unity, and the coding and reimbursement system, which is 3M, feeds all the updates of the changes of information to the patient account billing system, which is Online Account Management (OAM).

This is done every midnight in the form of batch processing. In this process when OAM rejects the transactions that are erroneous or that it is unable to validate, it is known as a transaction control error. Examples of errors include incorrect patient demographics, insurance information and CPT and diagnostic codes. This was a very complex audit. It took over four months to complete and involved interviewing, obtaining documents and analyzing data received from key personnel in the Bellevue Emergency Department, Admitting, Patient Financial Services, Inpatient and Outpatient, Revenue Recovery, Executive Administration, Nursing and Medical Records. In addition we met with Central Office Revenue Management, Enterprise Information Technology Services, and Cerner, the vendor for Unity, OAM and the new revenue cycle business application, Sorian.

The objectives of the audit were to determine whether controls were in place for the management and oversight of TCEs. We found that for various reasons the Bellevue Financial Services Patients'

Accounts Department was approximately two months behind on their correcting of TCEs. Perhaps we should call people from Bellevue to the table.

Ms. Youssouf answered that I think you should keep going for now and we will see.

Mr. Telano continued, we attributed this lag of two months to the lack of adequate resources, which included a training manual that was originally dated 1992 but had annual updates to October 2010. There was a lack of proper training and guidance on how to correct TCEs. We were informed that the last training occurred in 2012. There was also a large number of outpatient TCEs. Our analysis revealed that for the first seven months of 2015 the TCE outpatient report averaged 3,761 errors each day, and the approach to resolving each of those errors was very manual.

We also found that there was no mechanism in place to determine the total TCEs pending correction. There was no controls in place for management oversight. If a TCE is not corrected, it can easily go undetected. If action is not taken to correct a TCE resulting from a registration error, a bill may not be generated for the outpatient services, and the error would continue to occur each time the patient visits Bellevue. Lastly, we found due to the manner in which the system collects the data and designs the reports, it is difficult to determine the entire population and the financial impact. The TCE reports are not user friendly, include various error codes and does not include a date of service. So that is finding A, on page three.

Mr. Telano asked do you want me to go on to B and C also or deal with the outpatient first?

Ms. Youssouf responded that you should go through B and C as well. I know this is a lot of information then I am going to ask Mr. Tony Martin to talk about it because we have had some discussions about what the Corporation is doing.

Mr. Telano continued and said that the next findings on page four and five are B and C. They involve inpatient transaction control errors. Finding B involves the untimely, inaccurate disposition of health information management data change forms (HIM), completed by Medical Records. Since they do not have access to Unity or OAM, they complete this form and send it to Admitting to process the correction. During our review, we found that Admitting did not prioritize processing these corrections, and we found 40 of the 50 HIM data request forms were not responded to. In addition, of the 40 that we found, 34 accounts were pending completion and not billed. For the remaining ten of the 50, the Admitting Department took an average of 23 days to respond. We also noted that the Medical Records Coding Unit did not always send the forms timely to Admitting and that the average delay was 47 days. We also noted that Inpatient Accounts did not respond timely to the rejections that were indicated on the discharge not final billed report, and we found that 37 of the 50 that we reviewed did not generate a bill yet, and as a result the total charges of those 37 reflected in OAM was $700,000. These were all processed very late from 34 to 186 days outstanding, and they had not dropped the bill.

If you go to finding C, it's also about inpatient and that TCEs were occurring for inpatient accounts due to untimely or inaccurate registration, admission, discharge, transfer and bed assignments that were not input to Unity prior to the system update at midnight. We did a physical count of the patient census on ten to two. My staff worked from nine at night to five in the morning to evaluate the midnight changing of the system, and the system showed 28 patients still active in Unity. However, 20 had already been discharged that day and eight were transferred earlier in the day, and the range of the discharge was delayed from one to ten hours or an average of five hours. The Admitting Department is also not effectively monitoring the registration and billing system to the physical status of the patient. For example, the registration system showed two patients in the recovery room although they were discharged two to four days prior. We also noted one room in the registration system that reflected a male and female patient in the same room, and we also found an admitted patient assigned to a bed that did not exist in the registration or billing system. There was a breakdown in the communication between the nursing and clerical staff on the patient units as they are not using QuadraMed regularly to update the discharges. We found that for our testing only 50 percent of the time they are using QuadraMed, and because they are notifying the appropriate department either by phone or a nursing activity log, it is delaying the process and it is causing these TCEs.

Mrs. Bolus asked if they are using cut-and-paste method.

Mr. Telano answered I hope not. I think is just manual, but let me note before I go on is that for the inpatient on B and C that Admitting and Inpatient Accounts took immediate action during the course of our review, and by the time our audit was over, we saw a 30 percent decrease in these TCEs during the three or four months of our audit.

Finding D is that EITS does not effectively monitor the user access for Unity, OAM and 3M. Once again we found terminated employees. For example, in OAM we found 88 terminated employees, and the use of numerous generic accounts such as Data Test, Password. In OAM, for example, there were 51 generic accounts. Also in Unity it's very unique in which they set up employees by just using the first initial and last name. So John Doe would be J. Doe, and Jane Doe would also be J. Doe. As a result, there were 3,434 active employees in Unity Bellevue because if Jane Doe quit, they would not know which Jane Doe to take off the system, so it was a very unique set up.

Ms. Youssouf stated that before you go further, I would like to say that we know that this was a massive undertaking by you and your staff. I want to commend you all as senior management does for doing a very thorough and accurate job. I know that senior management has been in a lot of discussions about this with members of the Audit Committee as well, so I would like to turn it over to Mr. Tony Martin.

Mr. Martin said that clearly from my perspective this is a very important audit, and it certainly shows the leadership at HHC has real opportunities for improvement. I need to let you know that we have not been able to determine whether there were any billing implications, but we certainly will look at this. I commit to this Committee that I will work with PV and the facilities to look at this in depth and do

a deeper dive so I can see what the implications of the audit are and come back and report to this Committee, and I do want to thank Mr. Telano because it was a good audit.

Ms. Youssouf requested if we could make a plan, perhaps maybe in six months or something. It is a complex job. When you come back and talk about any implications, am I correct to assume you are also going to come back and talk about ways to fix it.

Mr. Telano continued and said that the next audit that we conducted is on page seven of the briefing. It is salary changes at Sea View. All we found was that there was a lack of independent review by a CFO function for salary increases. The forms that were being completed only had the ED signature. There was no CFO signature on those forms, and we found that the employee requisition forms were not being completed at all. In some instances we found that they were lacking completeness.

Ms. Youssouf asked for the representatives from Sea View to approach the table and introduced themselves. They did as follows: Mr. Angelo Mascia, Executive Director; Mr. Paul Pandolfini, Chief Financial Officer and Mr. Kieran Phelan, Controller.

Ms. Youssouf asked to explain what happened or how this is fixed or if you are fixing it?

Mr. Mascia replied that we took the recommendations in the findings from the Audit Report and basically implemented all of them. Back at Sea View, I was the Chief Financial Officer before I was the Chief Operations Officer and then Executive Director, so I was signing without having a CFO sign on the line. We put things in place so that it does not happen. Kieran Phelan, our Controller, will take a look at those before we go forward.

Ms. Youssouf asked the Controller or the CFO?

Mr. Mascia responded that we do not have a CFO. We had a network CFO, but the way it was set up on our network, Mr. Wagner, our senior vice president, did not say we had to get everything signed by the network CFO, so we just had this other process in place.

Ms. Youssouf asked if you still did not have a CFO. I mean you share Coney Island's CFO; is that correct?

Mr. Martin stated correct, Paul Pandolfini is the one responsible for making sure that this policy is adhered to. Correct?

Mr. Pandolfini answered correct and Mr. Kieran Phelan as the controller is my representative onsite, and we are always in consultation.

Ms. Youssouf asked if it's acceptable then that the controller signs off, or does he signs off and send it to you for your signature? To which Mr. Pandolfini responded that it is acceptable for him to sign off

in my stead as long as I'm aware of it. Mr. Wagner was meeting continually with Mr. Mascia, so there was nothing done.

Ms. Youssouf stated that I'm looking more that we follow correct policy and that none of this could be questioned because the right signatures are not on the documents, so I'm going to have to ask our counsel to please, if you do not know the answer, which you probably do not off the top of your head, or maybe Mr. Martin knows the answer.

Mr. Martin answered that Paul Pandolfini is the CFO, and I hold him responsible. The controller can sign, but Mr. Pandolfini has to give the final approval.

Ms. Youssouf added that it should be documented somehow, perhaps an email. If you do that and then you guys print out the e-mail and add it to the file, which would be great.

Mr. Pandolfini responded that we will do that.

Mr. Telano continued and stated that moving on to page eight of the briefing. If you don't mind I would like the representatives to come because we have good things to say, and I like to take the opportunity to say good things, so if the individuals representing Metropolitan would come to the table and introduce yourselves. They introduced themselves as follows: Mr. George Bonnano, Associate Director of Supply Chain; Tracy Green, Chief Financial Officer; Anthony Rajkumar, Executive Director.

Mr. Telano stated that we did an audit of the medical/surgical inventory controls, which included a surprise count on the first day. We show up before the warehouse opens, and we wait for them, and then upon arrival we counted 102 items, and of the 102, we only found nine exceptions, which totaled $198. This was why I wanted to bring them to the table for a job well done on that, and there was just some minor recordkeeping and some counts that need to be improved when items are being sent to the units.

Ms. Youssouf stated I am very impressed and very happy and I think you guys deserve a round of applause. I wish we could give you a bonus for doing so well, but we can't. Anyway, I'm just very happy to hear this.

Mrs. Bolus added that I hope you will be counting each individual item because paragraph two says you were not doing that.

Mr. Martin asked what is the ultimate goal? To which Mr. Rajkumar responded 100%.

Mr. Telano continued to page nine. If you don't mind I'd also like them to come to the table because if you think Metropolitan was good, Harlem did even better. Will the individuals from Harlem Pharmacy come to the table and introduce yourselves? They introduced themselves as follows: Dr. Farooqi,

Director of Pharmcy; Mr. Ronnell Boylan, Head of Hospital Police; Ms. Nadeem Aslam, Assistant Director; Caswell Samms, Chief Financial Officer.

Mr. Telano said that once again we did a surprise count and evaluated the internal controls, and we counted 110 items and found no discrepancies. I just wanted to recognize there were other issues, and it had to do more with access, in which 59 students or volunteers who previously worked in the Pharmacy Department, they still had active access, two pharmacy administrators had access to the narcotics and the stockroom areas, which were not compatible to their job functioning.

Mr. Russo stated that they still had no discrepancies.

Mr. Telano answered no discrepancies, right, but, the assistant director of purchasing in the Pharmacy Department had system access that allowed them to do everything to edit the purchasing, the receiving, the levels of inventory, so a little separation-of-duties issue that needed to be corrected.

Mrs. Bolus added that if that's all you had, fantastic.

Ms. Youssouf asked if you have addressed these.

Dr. Farooqi responded yes, we actually addressed that immediately for all the systems that we do have, OTPS, eCommerce and Pyxis, now all the duties are segregated, and all access that was unnecessary has been removed.

Mr. Martin added that I did promise this Committee that I would be coming with an overall fix for this issue because at a number of our facilities we have seen where people are separated from service and they still show up, and I just ask for two more months. I have solved the HHC issue, but I still need a little time to work on the affiliate issue, but I will come back to see you at the next meeting.

Ms. Youssouf stated I can’t wait. Thank you very much. Was there something else you wanted to say? Dr. Farooqi answered that I just wanted to say we also will be doing an annual and quarterly review of all system access for all our employees to be on top of it.

Mr. Telano stated that on page ten is a list of the audits we are currently doing, and on page 11 is the status of our follow-up audits, and I conclude my presentation.

Ms. Youssouf said thank you. I have to step out for something, and the Chair of the Board is going to take over for me.

Mr. McNulty saluted everyone and introduced himself as Wayne McNulty, Chief Compliance Officer and Senior Assistant Vice President.

Mr. McNulty began by providing the Audit Committee (the “Committee”) with a status update on record management and storage activities as they relate to the use of a third-party vendor.

In summary, he explained to the Committee that the NYC Health + Hospitals Records Management Program has the following three goals: (i) to maintain records generated by NYC Health and Hospitals in the normal course of business in a manner consistent with Federal and State law and its own internal policies and procedures; (ii) to assess the value of any record prior to determining the record's disposition; and (iii) to encourage the systematic disposal of unneeded records.

In summary, he explained to the Committee that NYC Health+ Hospitals currently stores records with an outside vendor at a monthly cost of $310,000 a month, which he further explained amounts to $4,000,000 a year. At the previous Committee meeting, he stated, he promised the Committee he would make every effort to reduce offsite record storage costs down to $2,000,000 before the end of the calendar year.

Mr. McNulty informed the Committee of the immediate steps that were taken since the last time the Audit Committee convened. Specifically, in sum and substance, he informed the Audit Committee that, upon meeting with the Deputy Corporate Compliance Office/Record Management Officer, each Facility record management officer ("Facility RMO") was charged with the task of identifying all records at their respective facility that are no longer required to be retained under law or under internal policy. He stated that Facility RMOs are expected to report back to the Office of Corporate Compliance ("OCC") in April as to what records at their respective facilities can be disposed of. He added, in summary, that a process would be implemented to ensure that none of the records that will be identified for disposition would be required for litigation or any other administrative purpose; thereafter, he provided, the records will be disposed of.

He informed the Committee that the Record Retention Counsel ("RRC"), which is chaired by Mr. McNulty and Acting CIO Sal Guido, met in December to discuss record management issues including the ongoing discussion of the possible purchase of an inventory system that would assist in a more efficient management of records corporate-wide.

Mr. McNulty then discussed the establishment of an e-Discovery Task Force (the "Task Force") pursuant to Record Management Operating Procedure 120-19. The Task Force members, he explained, will be chosen by the General Counsel, CIO, and CCO. In a nutshell, he summarized the purpose of Task Force as follows:

- to ensure that existing NYC Health + Hospitals policies and procedures stay current with best practices; and

- to ensure that whenever NYC Health + Hospitals is involved in litigation or involved in a government investigation, that it promptly maintains all its records - mainly electronic records such as electronically stored information that may be on backup tapes, CD drives, floppy disks, flash drives and e-mails - that may be needed for that investigation or for litigation.

Mr. McNulty stated that the Task Force was slated to meet either at the end of February and early March.

Mr. McNulty then moved forward to item two of the Corporate Compliance report (the "Report") – the monitoring of excluded providers. He informed the Committee that there were a total of four NYC Health and Hospital workforce members who were identified as being excluded from either the Medicaid, Medicare or another federal healthcare program. He summarized the exclusions as follows:

- One excluded nurse at Kings County Hospital Center, who was subsequently placed on inactive leave. He stated that a self-disclosure report regarding the same was slated to be made to the Office of the Medicaid Inspector General.

- Three excluded providers in Correctional Health Services - two nurses, and one PAGNY physician.

He informed the Committee that the OCC was consulting with outside counsel as to whether an overpayment issue existed with regard to the three CHS workforce members given Correctional Health Services receives Medicaid administrative funds, as well as HRSA funds, which may be covered under GSA exclusions.

Mr. McNulty proceeded to section three of the Report - the National Government Services review. He reminded the Committee that they were previously informed that the OCC had received numerous inquiries and reports from the National Government Service, which is a Medicare contractor, with respect to Medicare claim denials. Mr. McNulty called upon Maxine Katz, Senior Assistant Vice President, Revenue Management, to discuss our efforts here to mitigate these particular reports.

Ms. Katz saluted everyone and introduced herself as Maxine Katz, Senior Assistant Vice President, Finance. Ms. Katz stated the following:

- We have taken the letters that we received from National Government Services (NGS), and we have done a review of each and every code that was on that list.

- We have taken action on primarily most of them. There were three or four different codes. One had to do with duplicate claims. We found that it was not, which is good news, that we did not have staff out there billing constantly. We found a routine that was running in the system that caused a claim to repeat itself each month. We have taken action. That will no longer happen. That program logic has been cease and desist.

- We found another one where it was educational. Therefore none of these related to financial, but there was an issue with a patient with Medicare HMO, and we billed Medicare fee for service. Sometimes it's a timing issue, and we did not have the

information at the time of service. We are evaluating our logics that would do insurance verification eligibility against Medicare to see if we need to beef up any of our matching logic. We did find one instance – that was also not -- the duplicates were all facilities. The HMO was only select facilities, so we will also address certain information where we discovered that the Medicare information was not being valued in the system correctly. We will take corrective action and work directly with those facilities.

- The third issue we found was at one facility they had already been notified. There was a change in the regulation where for therapy services they needed to value for certain CPT codes you have to have an initial code and a modifier. In our new Sorian environment, we had beefed up edits so that claim would never have gone out the door. We are now taking action and creating a similar edit up front in our Unity environment so that the user would not be able to close that visit. That is in the process of being implemented.

Mr. McNulty thanked Ms. Katz.

Mr. McNulty moved to section four of the report - Privacy Incidents or Related Reports for the Fourth Quarter of Calendar Year 2015 ('CY15"). Mr. McNulty provided the following overview of the HIPAA-related reports from the last quarter of CY15. He started by reviewing what a breach is. He stated that a breach is any impermissible use, access and acquisition or disclosure of protected health information that violates the HIPAA Privacy Rule. He further explained that, whether or not a breach exists is based on whether or not there's a greater than low probability that the information that's involved an incident has been compromised.

He informed the Committee that there were 35 HIPAA complaints in the fourth quarter CY15. Of the 35 HIPAA complaints received, he stated, 16 after investigation were found to be violations of HIPAA policies and procedures. Of those 16, he added, there were six breaches of protected health information affecting a total of 28 individuals.

Mr. McNulty requested the Committee to turn to section five of the Report - the Compliance Report for the Fourth Quarter of Calendar Year 2015. With regard to the Fourth Quarter of Calendar Year 2015, Mr. McNulty advised the Committee, in summary, as follows:

- The OCC received 89 compliance-based reports, of which three were priority A reports. Priority A reports are matters that require immediate review and action due to allegations of immediate threat to a person, property or environment. Because these reports are ongoing investigations, he would discuss said reports in executive session.

He then asked the Committee to turn to page nine of the Report - a breakdown of how the compliance reports for the period in question were received. He informed the Committee that 63 of the reports were received through the confidential compliance help line, which he stated was anonymous. He explained that anonymous complaints are frequently received through the hotline.

He stated that seven complaints were received through e-mail, and six complaints were received face-to-face where individuals came to the OCC.

He then asked the Committee to turn to page 11 of the Report - the breakdown of allegation class analysis. He advised the Committee that 26 of the complaints received, which amounted to 29 percent, involved policy and process integrity. The other 19 percent - or 17 reports - involved misuse and appropriation of access and other information, and 18 percent involved employee relations.

Mr. McNulty moved forward by providing the Committee with an update of the HHC ACO compliance activities. In sum and substance, he reminded the Committee that the ACO has a compliance plan that must satisfy applicable law, and it must be periodically updated. He explained that the compliance plan: (i) generally identifies and helps to prevent unlawful and unethical conduct; (ii) provides a centralized source for distributing information on healthcare statutes and others programs directly related to fraud, waste and abuse; and (iii) enforces an environment that encourages employees and others to honestly report potential compliance issues.

In summary, Mr. McNulty added that the structure of the compliance plan is always related to the size of the ACO and the business structure of the ACO. The OCC, he stated, is working in consultation with ACO leadership to start the process of review and updating the ACO compliance plan. He stated that he would work closely with the Office of Legal Affairs and outside counsel in revising the current compliance plan, and those efforts are ongoing. He added that a revised compliance plan would be reported to the April Audit Committee.

Mr. McNulty then provided the Committee with an update of a CMS warning letter that was reported during the prior Committee. He stated that, although the HHC ACO in their overall 2014 quality performance ranked above the 76th or ranked in the 76th percentile, it showed significant deficiencies in the subset of measures that were particularly depending on systematic weaknesses and chronic conditions coded in meaningful-use execution. He then requested that members from the HHC ACO, Revenue Management, and EITS come to the table to discuss their mitigation efforts in this particular area. They introduced themselves as follows: Megan Cunningham, Senior Director of Operations for HHC's Accountable Care Organization (ACO) on behalf of Ross Wilson, our Chief Executive Officer; Mr. Sal Guido, Interim Chief Information Officer and Maxine Katz, Senior Assistant Vice President, Finance. The following was reported by these individuals:

- Ms. Cunningham answered that would it be helpful to first start with some framing remarks? The ACO is actually very proud of our quality performance overall. We rank in the 76th percentile nationally on quality performance in 2014, being one of only 15 percent of ACOs to achieve savings based on both cost and quality performance for 2013 and 2014. The ACO is responsible for reporting annually on 33 quality measures that fall into four domains. We have patient experience of care, care coordination, at-risk populations and population health management. Within each measure, CMS sets a 30th percentile minimum performance threshold, and within a domain of a collection measures, we have to hit 70th percent, and you have to hit at least the minimum percentile threshold on 70 percent of the measures within that domain.

- Ms. Cunningham continued stating that, in domains one, three and four, we scored for patient care 83 overall, for preventive health 100 percent, for at-risk population 100 percent. Our performance deficiencies were clustered, though, in the care coordination patient safety domain where we only met that minimum attainment threshold on two out of six measures. One of those measures is double weighted. So the areas of focus for our remediation plan here are really in the areas of meaningful use and chronic condition coding for ambulatory care sensitive admissions. For meaningful use we have been working very closely with Sal Guido and with our colleagues in IT as well as in FICA and Finance to ensure that there is a remediation plan in place.

- Ms. Cunningham further commented that, for 2014 we've actually done quite well on our attestations for meaningful use and AIU. It was done on an extension deadline, so we got this completed by May 31st. That means that HHC benefits, and this had received something like $19,000,000 in payments for that performance, but the ACO's deadline was not able to be extended, so that work was done after the ACO's deadline of March 31st, and it couldn't count as credit for our 2014 performance.

- Ms. Cunningham added that, for 2015 performance, Ms. Katz has been working with FICA and developed a list of priority ACO providers that's been communicated to medical directors, to local clinical leadership, and they've assured us that they are making every effort to get this done in advance of the March 31st deadline for the ACO PCP list.

- Ms. Katz stated that plus also, which I think helps the ACO, by March 31st we need to submit hardship waivers due to certain measures until our clinical system meets all of the meaningful-use requirements. My office plans to have, with the help of FICA, but we plan to have all of the hardship waivers submitted before the end of March. That will include the ACO providers, but we are giving priority to all of the ACOs. we have been working to identify who they are. We will have all of that including the enrollments done by the deadline in March.

- Ms. Cunningham stated we confirmed with CMS to the extent that waiver extension is granted that ACO performance will then be sort of protected.

- Mr. Guido added that from an MU2 standpoint for eligible provider, eligible hospital, we have been on track with that as well with the ACO in there. We have created a website that actually shows each one of the eligible professionals if they have been registered, when they were registered, so that we can actually attest for that 90-day period of time.

- Mr. Guido continued by stating that, we have been working very closely with Maxine on getting those professionals into that registry and getting them also registered with the State. We have also gone through a waiver for eligible professional for the last quarter of 2015, and that was just to push us out a little bit because the State was not able to

take our attestations for those physicians during the time because their systems were not operating properly, so we are in a very good position to realize the approximately $70,000,000 benefit that we will receive this year.

Dr. Barrios-Paoli said thank you very much.

Mr. Martin added very good job.

Ms. Cunningham closed the discussion on this topic by adding the following:

- The other area of performance deficiencies for the ACO was in admissions for ambulatory care sensitive admissions, CHF, COPD and asthma. We believe that this was actually a product of the way in which we were documenting and coding these conditions.

- When you look at the prevalence of heart failures, COPD and asthma within our population relative to national benchmarks, we are at about 50 percent of where we would expect to be. We don't actually think our patients are two times healthier, so that leads us to believe there is a documentation-coding problem. So we have been working with the physicians to educate them on coding, particularly these mild forms of heart failure, COPD, making sure that that is in the problem list accordingly. We have actually created tailored reports for the clinicians to use that indicates these patients were coded in the past as having these conditions and need to be re-coded at their current visit if appropriate. So this is certainly under scrutiny by our office.

- Maxine has been very helpful here as well. The Corporation also works with DDDS through contracts with HealthFirst and MetroPlus to do widespread provider training and education in this domain.

Mr. McNulty continued on to page 15 of the Report – the DSRIP/OneCity Health Compliance update. He advised the Committee that the OCC continues to work with the Office of Legal Affairs and its outside counsel and OneCity Health Leadership to develop the DSRIP Compliance Program. He explained that, for purposes of New York State law, the DSRIP Compliance Program is considered a risk area under the overall compliance program. In summary, he stated that: (i) (a) the certification for the NYC Health and Hospitals Compliance Program took place in December by HHC President and CEO Dr. Raju, and (b) the certification with the Deficit Reduction Act also occurred; and (ii) both of these certifications covered DSRIP compliance activities. He stated, in summary, that the OCC continues to work with the greater New York Hospital Association, which has formed a DSRIP compliance work group, which consists of compliance officers from colleague hospitals, and the collective and collaborative development of training programs for our DSRIP partners has commenced.

In sum and substance, he advised the Committee that, Mr. Matthew Babcock, who is in charge of compliance for the Medicaid Inspector General, came down (to the Greater New York Hospital Association) in January to have a discussion with us on the compliance program. Mr. McNulty stated that there are eight elements and how we should go about meeting those eight elements is in a constant state of flux, and we are revising our policies constantly with respect to DSRIP compliance activities.

Mr. McNulty moved on to page 16 of the Report and provided a brief Gotham Health Compliance update. He stated that he met with three Gotham Board members on January 28th - Dr. Dolores McCray, Paul Covington and Herman Smith - to discuss Gotham Compliance Health activities. He stated, in sum and substance, that he was schedule to provide the full Gotham Health Board with a compliance update in March or early April. He also informed the Committee that he was developing a computer-based (compliance) training program for the Gotham Board members. He explained that their training will be different than the NYC Health and Hospitals Board members training because of different fiduciary duties and different compliance requirements.

Mr. McNulty turned to page 17 of the Report - the Compliance Training Update. In summary, Mr. McNulty provided the following regarding the provision of compliance training for the Members of the NYC Health + Hospitals Board of Directors (the "Board" or "Board Members"):

- The OCC developed compliance training for all Board Members and all Board Member designees,

- Audit Committee Chairperson Emily Youssouf and President and CEO Dr. Ramanathan Raju both successfully evaluated and successfully completed the Board compliance training.

- Training will be made available on iPads for all Board members, and EITS is working very closely with the Chairperson's office to make sure that takes place very shortly;

- The training covers: (i) an overview on compliance at NYC Health and Hospitals; (ii) Board Member compliance responsibilities, specifically, Board Member fiduciary duties under duty to care and duty to loyalty; (iii) Board Member duties under the Public Authorities Accountability Act; (iv) relevant Federal and State law, the Stark Law, Anti-Kickback (Statute), the False Claims Act, Civil Monetary Penalty Law; (v) HIPAA; (vi) conflicts of interest and compliance with the COIB regulations, Principles of Professional Conduct and Code of Ethics; (vii) Record Management activities; and (viii) the HHC ACO compliance program.

Mr. McNulty continued by providing the Committee with the following status update with respect to the System-wide Compliance training of: (i) physicians; (ii) the general workforce of Group 11 employees and Group 12 employees who are designated by group 11 supervisors; and (iii) all healthcare professionals - individuals who are licensed under Title 8 of the Education Law.

Mr. McNulty reported the following training statistics:

- The Healthcare Professionals module – we have 82 percent complete corporate-wide;

- The Physician module, 77 percent complete corporate-wide;

- The General Workforce module - which was just rolled out in October - we are at 48 percent.

In sum and substance, Mr. McNulty informed the Committee that:

- He sent out a memorandum (regarding the training) to all healthcare professionals;

- His staff is working very closely with all of the Facility Executive Directors and Chiefs of Services to ensure that the training numbers go up.

- The deadline established for the physician module and the healthcare professionals' module was February 29th – by close of business, we need to be around 98, 99 percent for both modules.

- With respect to the General Workforce module, because it was recently rolled out, more time will be allocated to allow for the completion of the same.

After asking the Committee if there were any questions, Mr. McNulty concluded his report.

Dr. Barrios-Paoli thanked Mr. McNulty and asked if there were any questions. Then started executive session.

Mr. Russo stated that during the executive session we've heard of confidential investigations that are being conducted by our Chief Compliance Officer. There being no further business, the Chair has requested that we stand adjourned now in the public sector.

The meeting adjourned at 1:33 P.M.

Submitted by,

Dr. Lilliam Barrios-Paoli
Board of Directors Chair

RESOLUTION

Authorizing the President of the New York City Health + Hospitals ('the Corporation") to negotiate and execute a contract with Loeb & Troper LLP, CPAs for Annual Financial and Compliance Audits of twenty-two (22) Corporation Auxiliaries. This contract is for audit services for calendar years 2015 through 2017 with two separate one year renewal options in an amount not-to-exceed $855,000. The Corporation, at its sole option and discretion, may renew this Agreement for an additional one or two successive one-year term(s).

WHEREAS, the Corporation has determined that retention of an outside independent Certified Public Accounting firm to perform independent audits of twenty-two (22) Corporation Auxiliaries best serves the interests of the Corporation; and

WHEREAS, the Corporation conducted a competitive selection process for consulting services, using a Request for Proposals ("RFP") issued December 8, 2015 in compliance with Corporate Policy and Procedures to identify and select qualified firms to provide audit services; and

WHEREAS, under the direction and oversight of the Office of Internal Audits, such audits will enable the Corporation to obtain an accurate appraisal of the management of its auxiliaries that engage in fund raising efforts, monitor receipt and disbursements of funds from dues, fund raising efforts, gifts, bequests, donations and/or revenue generating sources other than patient service; and

WHEREAS, Loeb & Troper LLP is a licensed Certified Public Accounting Firm in New York State satisfying all the minimum qualifications as set forth in the RFP; and

WHEREAS, the overall responsibility for monitoring the contract shall be under the direction of the Assistant Vice President/Chief Internal Auditor; and

NOW, THEREFORE, be it

RESOLVED, That the President of the New York City Health + Hospitals be and is hereby authorized to negotiate and execute a contract with Loeb & Troper LLP, CPAs for Annual Financial and Compliance Audits of twenty-two (22) Corporation Auxiliaries. This contract is for audit services for calendar years 2015 through 2017, exclusive of two separate one year renewal options, in an amount not-to-exceed $855,000. The Corporation, at its sole option and discretion, may renew this Agreement for an additional one or two successive one-year term(s).

EXECUTIVE SUMMARY

The President seeks authorization to negotiate and execute a contract with Loeb & Troper LLP, CPAs for The Annual Financial and Compliance Audits of twenty-two (22) Corporation Auxiliaries for calendar years 2015 through 2017 with options for two separate one year renewals.

This contract will satisfy a need for the continued use of independent audit services to monitor the activities of the Corporation's 22 hospital auxiliaries in calendar years 2015 through 2017. The terms of the contract with Loeb & Troper LLP concluded on December 31, 2014.

On an annual basis, and in addition to compliance with Operating Procedure No. 10-20, the Corporation also requires reporting of questionable charges and/or expenditures from audit test results. Such tests must be conducted at each auxiliary for calendar years 2015 through 2017. Limited internal resources and the need for audits conducted by an independent CPA firm for Auxiliary 990 income tax filings necessitate the need to continue the practice of retaining the services of an outside certified public accounting firm.

Specific deliverables the contractor will be required to provide include:

- An opinion as to whether each Auxiliary has presented its financial position in accordance with Generally Accepted Accounting Principles (GAAP);
- An opinion as to compliance with Operating Procedure 10-20 "Auxiliaries";
- A report on the appropriateness of recorded charges and/or expenditures based on sample testing;
- Recommendations for enhancements to operations;
- Verification of:
    - concessionaire payments;
    - bank reconciliations;
    - transactional testing;
    - compliance with IRC 501(c)(3) guidelines; and
    - Implementation of all prior recommendations from all audits conducted.

Loeb & Troper LLP was selected through an RFP process which included review and evaluation of the proposal by a Selection Committee comprised of representatives from the NYC Health + Hospitals/Office of Internal Audits, NYC Health + Hospitals/Intergovernmental Relations, NYC Health + Hospitals /Bellevue, NYC Health + Hospitals /Enterprise Information Technology Services and NYC Health + Hospitals/Corporate Comptroller. Selection criteria included understanding of work and soundness of approach, appropriateness and quality of the firm's experience, qualifications of staff and a cost proposal for each auxiliary to be audited. The results of the RFP process presented the Selection Committee with two proposals for consideration. Loeb & Troper LLP received the higher rating from all Committee members as well as the higher overall score for all proposals submitted. As such, Loeb & Troper LLP is the firm requested for approval.

CONTRACT FACT SHEET

New York City Health + Hospitals Corporation

Contract Title: Contract between NYC Health + Hospitals and Loeb & Troper LLP to provide Financial and Compliance Audits of NYC Health +Hospitals/Auxiliaries

Project Title & Number: DCN# 2213

Project Location: NYC Health +Hospitals/Auxiliaries

Requesting Dept.: Office of Internal Audits

Successful Respondent: Loeb & Troper LLP

Contract Amount: $496,500

Contract Term: May 2, 2016 to May 1, 2019 with 2 one year renewal options

Number of Respondents: 2
(If Sole Source, explain in Background section)

Range of Proposals: $496,500 to $713,285

Minority Business Enterprise Invited: Yes

Funding Source: Other: Central Budget

Method of Payment: Payments will be made on percentage of completion basis. Invoices are to be submitted for payment only upon completion of each deliverable in accordance with the payment schedule noted on page 15 of the RFP.

EEO Analysis: Yes

Compliance with HHC's McBride Principles? Yes

Vendex Clearance Pending

(Required for contracts in the amount of $100,000 or more awarded pursuant to an RFP, NA or as a Sole Source, or $100,000 or more if awarded pursuant to an RFB.)

Background *(include description and history of problem; previous attempts, if any, to solve it; and how this contract will solve it):*

Each Auxiliary is required to have an annual audit of its financial statements done by a Certified Public Accountant per Section (4) (i) of Operating Procedure No. 10-20 entitled "Annual Financial Report". This is to ensure that funds and assets of the Auxiliary are accurately recorded on the books, records are maintained in accordance with generally accepted accounting principles and all expenditures of the Auxiliary funds comply with corporate operating procedures and guidelines.

The previous contract expired on December 31, 2015.

Contract Review Committee
Was the proposed contract presented at the Contract Review Committee (CRC)? (include date):

Yes. November 23, 2015

Has the proposed contract's scope of work, timetable, budget, contract deliverables or accountable person changed since presentation to the CRC? If so, please indicate how the proposed contract differs since presentation to the CRC:

No.

Selection Process *(attach list of selection committee members, list of firms responding to RFP or NA, list of firms considered, describe here the process used to select the proposed contractor, the selection criteria, and the justification for the selection):*

The selection Committee evaluated and rated the proposals of the firms on their technical merits by applying the Evaluation Criteria listed below.

a. **Understanding of work and soundness of approach: (25%)**
   1. **Proposers responsiveness in addressing the scope and substantive requirements of the RFP. The Proposal should demonstrate a clear and concise understanding of the RFP's desired objectives;**
   2. **Realistic timeframe for Completion of Deliverables; and**
   3. **Emphasis that the Proposer's management would potentially place on this project.**

b. **Technical Qualifications and Previous Client References. (35%)**
   1. **Licensed CPA firm, listed on New York City Comptroller's list of pre-qualified CPA firms eligible to bid;**
   2. **Staffing levels of not less than fifty (50) accounting professionals;**
   3. **Quality of Client References;**
   4. **Prior auditing experience of large healthcare facilities and systems;**
   5. **Experience in New York City/ State governmental auditing;**

c. **Qualifications of Proposed Staff. (25%)**
   Background and experience of project team, including staffing levels and audit team make-up.

d. **Cost. (15%)**

The amounts for each criteria were totaled and each committee member was required to rank their preference.

Justification: All committee members chose the firm, Loeb & Troper, which scored higher on all evaluation criteria.

See attached lists as requested.

Scope of work and timetable:

Scope of work: The Consultant/Proposer will be required to review internal controls over financial reporting to design audit procedures to express an opinion on each Auxiliary's financial statements. In addition, tests of compliance with laws, regulations, contracts, grant agreements, etc. will be used to ascertain conformity with *Government Auditing Standards*. Further, noncompliance with HHC Corporate Operating Procedures will be disclosed in reports from the results of audit testing performed. As necessary, the Consultant will be required to operate under the supervision of the Chief Internal Auditor/AVP.

Timetable: The Corporation requires completion of all fieldwork and receipt of all draft and final audit reports in accordance with the timetable set forth below:

CALENDAR YEAR	DRAFT REPORT	FINAL REPORT
2015	June 30, 2016	July 31, 2016
2016	April 30, 2017	May 31, 2017
2017	April 30, 2018	May 31, 2018
2018(a)	April 30, 2019	May 31, 2019
2019(a)	April 30, 2020	May 31, 2020

(a) With renewal granted

Provide a brief costs/benefits analysis of the services to be purchased.

Each Auxiliary is required to have an annual audit of its financial statements done by a Certified Public Accountant per Section (4) (i) of Operating Procedure No. 10-20 entitled "Annual Financial Report". This is to ensure that funds and assets of the Auxiliary are accurately recorded on the books, records are maintained in accordance with generally accepted accounting principles and all expenditures of the Auxiliary funds comply with corporate operating procedures and guidelines. These services cost the corporation $717,500 over the last contract period. The actual cost for this contract is $496,500. If the renewal option is exercised, the contract cost would be $855,000.

The Corporation would benefit from the knowledge that the Auxiliaries are in compliance with regulatory and internal guidelines and information contained in reports is accurate and reliable.

CONTRACT FACT SHEET **(continued)**

Provide a brief summary of historical expenditure(s) for this service, if applicable.

Previous contract cost:

Loeb & Troper: Period CY 2010- 2015 - $717,500.

Watson Rice, LLP: Period CY 2005 - 2009 - $575,000

Provide a brief summary as to why the work or services cannot be performed by the Corporation's staff.

Each Auxiliary is required to have an annual audit of its financial statements done by a Certified Public Accountant per Section (4) (i) of Operating Procedure No. 10-20 entitled "Annual Financial Report".

Will the contract produce artistic/creative/intellectual property? Who will own It?
Will a copyright be obtained? Will it be marketable? Did the presence of such property and ownership thereof enter into contract price negotiations?

No.

CONTRACT FACT SHEET **(continued)**

Contract monitoring (include which Senior Vice President is responsible):

Mr. Christopher Telano, Chief Internal Auditor/AVP

Equal Employment Opportunity Analysis *(include outreach efforts to MBE/WBE's, selection process, comparison of vendor/contractor EEO profile to EEO criteria. Indicate areas of under-representation and plan/timetable to address problem areas):*

Received By E.E.O. _____
Date

Analysis Completed By E.E.O._____
Date

_____
Name

RESOLUTION

Adopting the New York City Health and Hospitals Corporation (hereinafter "NYC Health + Hospitals" or the "System") Principles of Professional Conduct ("POPC"), which, as required pursuant to 18 N.Y.C.R.R. § 521.3 (c)(1), and as recommended under the U.S. Department of Health and Human Services Office of Inspector General Compliance Program Guidance for Hospitals (1998) and the U.S. Sentencing Commission Guidelines Manual (2015), sets forth in writing NYC Health + Hospitals' compliance expectations and commitment to comply with all applicable Federal and State laws.

WHEREAS, pursuant to Social Services Law § 363-d and its implementing regulations found at 18 N.Y.C.R.R. part 521, NYC Health + Hospitals, as a condition of participation in the New York State Medicaid Program ("Medicaid"), is required to establish and maintain an effective Compliance Program;

WHEREAS, pursuant to the mandatory compliance program regulations found at 18 N.Y.C.R.R. § 521.3 (c)(2), NYC Health + Hospitals is required to establish written policies and procedures that describe compliance expectations as embodied in a code of conduct or code of ethics;

WHEREAS, pursuant to NYC Health + Hospitals Corporate Compliance Plan (2011), the System: (i) follows the guidelines set forth by the U.S. Department of Health and Human Services Office of Inspector General ("OIG") Compliance Program Guidance for Hospitals (1998); and (ii) adopts the principles set forth under the U.S. Sentencing Commission Guidelines Manual (2015) ("Commission Guidelines");

WHEREAS, pursuant to § II (A)(1) of the OIG Compliance Program Guidance for Hospitals found at 63 Fed. Reg. 8987, 8989-90 (1998), it is recommended that hospitals develop standards of conduct for all affected employees that include a clearly delineated commitment to compliance by senior management;

WHEREAS, pursuant to subdivision 1 of the *Commentary* to § 8B2.1 of the Commission Guidelines, it is recommended that organizations to establish standards of conduct, as well as internal controls, to prevent and detect criminal conduct;

WHEREAS, the existing POPC, which serves as the NYC Health + Hospitals code of conduct, has been in effect since 2010 and has now been updated to include a broader scope of topics covered;

WHEREAS, similar to the existing POPC, the updated POPC:

- Outlines New York City Health + Hospitals' compliance expectations;

- Underscores prohibited practices and conduct;

- Sets a tone from the top to establish the importance of compliance; and

- States New York City Health + Hospitals' commitment to protect whistleblowers from any form of retaliation.

WHEREAS, the updated POPC has been expanded to specifically focus on the following compliance expectations and key points pertaining to New York City Health + Hospitals' commitment to conduct its business, clinical, and administrative operations in a lawful and ethical manner:

- The affirmative obligation of all New York City Health + Hospitals workforce members and business partners to participate in the NYC Health + Hospitals Corporate Compliance and Ethics Program;

- The prevention of fraud, waste and abuse as it relates to workforce members and business partners;

- The prohibition of workplace violence, discriminatory practices, or other conduct that inhibits: (i) workplace safety; (ii) equal opportunities for all workforce members; and/or (iii) the protection of the internal and external environment in which New York City Health + Hospitals operates;

- New York City Health + Hospitals' commitment to high quality and medically necessary patient care;

- The continued identification and resolution of conflicts of interest;

- New York City Health + Hospitals' focus on best information governance practices; and

- The proper use of funds related to the Work Trace Center Health Program, Delivery System Reform Incentive Program (DSRIP), clinical research, and grant funded projects and initiatives.

NOW, THEREFORE, be it

RESOLVED, that the Audit Committee of the NYC Health + Hospitals Board of Directors hereby adopts the updated NYC Health + Hospitals Principles of Professional Conduct to serve as NYC Health + Hospitals' official: (i) S*tandards of Conduct/Code of Conduct;* and (ii) written commitment to comply with all Federal and State laws; and

FURTHER RESOLVED, that all NYC Health + Hospitals workforce members and business partners, as described in the updated POPC, have an affirmative obligation to adhere to the updated POPC in carrying out their NYC Health + Hospital functions and duties.

EXECUTIVE SUMMARY

Introduction

1. The Office of Corporate Compliance hereby seeks, by way of formal resolution by the Audit Committee of the NYC Health + Hospitals Board of Directors and, subsequently thereafter, the NYC Health + Hospitals Board of Directors, the adoption of the NYC Health + Hospitals *Principles of Professional Conduct* ("POPC"). (*See* the POPC annexed hereto as Attachment "A").

Overview

2. The POPC is a guide that sets forth NYC Health + Hospitals' compliance expectations and commitment to comply with all applicable Federal and State laws. It describes NYC Health + Hospitals' standards of professional conduct and efforts to prevent fraud, waste, and abuse.

3. The POPC also serves as the formal "Standards of Conduct" (also often referred to in the compliance and governance community as a "Code of Conduct" or "Code of Ethics") for NYC Health + Hospitals.

Legal Requirements

Social Services Law 363-d & 18 N.Y.C.R.R. Part 521

4. Pursuant to New York State's mandatory provider compliance program regulations found at 18 NYCRR § 521.3 (c)(1), as a condition of participation in the Medicaid program, NYC Health and Hospitals is required to establish and maintain an effective compliance program, which includes, among other things, the development and promulgation of "written policies and procedures that describe compliance expectations embodied in a code of conduct or code of ethics . . . ."[1]

Guidelines of Oversight Agencies/ Compliance Best Practices

U.S. Department of Health and Human Services Office of Inspector General Compliance Program Guidance for Hospitals (1998)

5. Similar to Part 521, guidance issued by the Office of Inspector General of the U.S. Department of Health and Human Services ("OIG") provides that compliance programs, such as the NYC Health + Hospitals Corporate Compliance and Ethics Program, should develop "written standards of conduct, as well as written policies and procedures that

[1] 18 NYCRR § 521.3 (c)(1).

promote [the System's] commitment to compliance."[2] Further, as set forth under OIG requirements, these "[s]tandards should articulate [the System's] commitment to comply with all Federal and State standards, with an emphasis on preventing fraud and abuse."[3]

United States Sentencing Commission Guidelines

6. In addition to Part 521 and OIG Guidance, the 2015 United States Sentencing Commission Guidelines Manual covering effective compliance and ethics programs requires NYC Health + Hospitals to establish standards of conduct, as well as internal controls, "to prevent and detect criminal conduct."[4]

General Content of the Updated POPC

7. In a nutshell, the updated POPC:

- outlines of NYC Health + Hospitals' compliance expectations;
- mandates that all NYC Health + Hospitals workforce members and business partners affirmatively participate in NYC Health + Hospitals Corporate Compliance and Ethics Program;
- underscores the types of practices and conduct that are prohibited;
- sets a tone from the top to establish the importance of compliance; and
- protects whistleblowers from retaliation.

Previous/Existing POPC

8. In comparison to the existing POPC (*see* Attachment "B"), which has been in effect since 2010, the scope of the updated POPC has been expanded to both touch upon and better highlight the following areas and key points:

- the prevention of fraud, waste and abuse as it relates to workforce members and business partners;

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[2] U.S. Department of Health and Human Services Office of Inspector General ("OIG"), *Publication of the OIG Compliance Program Guidance for Hospitals*, 63 Fed. Register 8997, 8989 (1998), accessed at http://oig.hhs.gov/authorities/docs/cpghosp.pdf

[3] *Id*. at 8990.

[4] 2015 United States Sentencing Commission Guidelines Manual (Part B- Remedying Harm from Criminal Conduct, and Effective Compliance Programs) § 8B2.1 (b)(1); *see also* subdivision 1 of the Commentary of the 2015 United States Sentencing Commission Guidelines § 8B2.1.

- The prohibition of workplace violence, discriminatory practices or other conduct that inhibits: (i) workplace safety; (ii) equal opportunities for all workforce members; and/or (iii) the protection of the internal and external environment in which NYC Health + Hospitals operates;

- the System's commitment to high quality and medically necessary patient care;

- the continued identification and resolution of conflicts of interest;

- the System's focus on best information governance practices; and

- the proper use of funds related to the World Trade Center Health Program, DSRIP program, clinical research or grant funded projects and initiatives.

Review by Executive Leadership

9. On February 29, 2016, Wayne A. McNulty, Senior Assistant Vice President and Chief Corporate Compliance Officer, OCC, provided senior leadership at each facility and central office unit with a draft of the updated POPC for their comments and proposed edits. The POPC was received well by senior leadership and the comments received by the OCC regarding the same were minimal.

Next Steps

10. The attached revised POPC is in its final state as it relates to compliance content and will be placed on the NYC health + Hospitals public website and internal intranet once adopted by the Audit Committee of the NYC Health + Hospitals Board of Directors, and thereafter, the NYC Health + Hospitals Board of Directors.

11. In addition to the above, for purposes of aesthetics, presentation, and consistency with NYC Health + Hospitals' brand, the OCC will work with the Office of Communications and Marketing to complete the POPC's branding 'look and feel' and create a distributable 'pamphlet-style' version of the same.

12. In the upcoming months, the OCC will be updating, where necessary, all of the NYC Health + Hospitals compliance policies and procedures including, without limitation, the NYC Health + Hospitals Corporate Compliance Plan. Once updated, the Corporate Compliance Plan will highlight the POPC as the cornerstone of the NYC Health + Hospitals Corporate Compliance and Ethics Program.

Conclusion

13. Based on the foregoing, the OCC now respectfully seeks the formal adoption of the updated POPC by the Audit Committee of the NYC Health + Hospitals Board of Directors, and the subsequent adoption of the same by the NYC Health + Hospitals

Board of Directors on April 21, 2016, to serve as NYC Health + Hospitals' official: (i) S*tandards of Conduct/Code of Conduct;* and (ii) written commitment to comply with all Federal and State laws.

Attachment "A"

NYC HEALTH + HOSPITALS

PRINCIPLES OF PROFESSIONAL CONDUCT

NYC HEALTH + HOSPITALS

NYC HEALTH + HOSPITALS

PRINCIPLES OF PROFESSIONAL CONDUCT

I. POPC OVERVIEW.

The *Principles of Professional Conduct* ("POPC") is a guide that sets forth NYC Health + Hospitals' compliance expectations and commitment to comply with all applicable Federal and State laws. It describes NYC Health + Hospitals' standards of professional conduct and efforts to prevent fraud, waste, and abuse. All NYC Health + Hospitals workforce members and business partners, as described in Section II below, are expected to carry out their duties and functions in a manner that is lawful and ethical. Workforce member responsibilities under the POPC are listed in Section IV below, and business partner responsibilities under the POPC are listed in Section V below.

II. WHO DOES THE POPC APPLY TO?

The POPC applies to and governs the conduct of: (i) NYC Health + Hospitals workforce members (whether permanent or temporary), including all NYC Health + Hospitals employees, members of the Board of Directors, personnel, affiliates, medical staff members, volunteers, students, and trainees, throughout all NYC Health + Hospitals facilities, units, and entities; and (ii) NYC Health + Hospitals business partners who are required by law or contract to comply with this POPC, including the POPC's core objectives specified in Section III below. Business partners include OneCity Health/Delivery System Reform Incentive Payment ("DSRIP") Program partners as well as contractors, subcontractors, agents and other persons or entities that, on behalf of NYC Health + Hospitals, provide billing or coding functions, furnish health care services or items, or monitor the health care provided by NYC Health + Hospitals.

III. POPC CORE OBJECTIVES.

The core objectives of the POPC are to ensure that NYC Health + Hospitals workforce members and, as applicable, its business partners:

- Fulfill NYC Health + Hospitals' mission;
  - Provide and deliver high quality, dignified and comprehensive care and treatment for the ill and infirm, both physical and mental, particularly to those who can least afford such services;
  - Extend equally to all we serve comprehensive health services of the highest quality, in an atmosphere of humane care and respect;

- Promote and protect, as both an innovator and advocate, the health, welfare and safety of the people of the State of New York and of the City of New York; and
- Join with other health workers and with communities in a partnership which will enable each of our institutions to promote and protect health in its fullest sense - - the total physical, mental and social well-being of the people of the State of New York and the City of New York;

- Uphold NYC Health + Hospitals' values by continuously reinforcing the six essential features of our daily work outlined in NYC Health + Hospitals *Guiding Principles*;

  - Keep patients first;
  - Keep everyone safe;
  - Work together;
  - Pursue excellence;
  - Manage your resources; and
  - Keep learning;

- Prevent, identify, and correct unlawful and unethical behavior and fraud, waste, and abuse;

  - Identify, assess, and monitor potential risk areas;
  - Adhere to all applicable provisions of Federal and State law, NYC Health + Hospitals' Corporate Compliance and Ethics Program, and NYC Health + Hospitals' policies, including provisions that require reporting of violations to appropriate parties;
  - Prevent the submission of inappropriate claims and billings and the receipt of improper payments by implementing training initiatives, establishing internal controls, and carrying out auditing and monitoring activities; and
  - Minimize financial loss and reduce the likelihood of an overpayment by a federal health program, governmental entity or other third party payor;

- Deliver high quality, medically necessary care and services to all individuals in need regardless of their ability to pay;

  - Ensure that only health practitioners and other health professionals who are duly licensed, certified, credentialed or otherwise qualified in accordance with Federal and State law, medical staff bylaws and associated rules, and internal policies, are authorized to deliver care to patients;

- Respect and protect patients' rights;
- Deliver care and services in a culturally sensitive manner; and
- Strive for the highest level of patient satisfaction;

- Maintain a respectful, healthy, productive, and safe work environment with the goals of preventing discriminatory and other inappropriate forms of conduct, reducing the likelihood of illnesses and injuries, and helping workforce members realize their full potential;

  - Provide equal employment opportunities to all workforce members and employment candidates regardless of any protected characteristic including, without limitation, race, age, gender, gender identity, sexual orientation, religion, ethnicity, disability or any other any other protected class covered by Federal, State, and/or local anti-discrimination laws;
  - Promptly respond to and address all acts or threats of violence, intimidation, discrimination, harassment or disruptive behavior;
  - Encourage workforce members to realize their full potential;
  - Provide reasonable accommodations to workforce members with disabilities; and
  - Perform initial and periodic health screenings of workforce members as required by applicable law and internal policies;

- Facilitate and promote standards of conduct that detect, reduce, and/or effectively manage conflicts of interest;

- Respect the environment in which we work and our facilities operate;

  - Handle, use, and dispose of all toxic, hazardous, radioactive, and pharmacological agents, materials, instruments, and supplies in a safe manner consistent with applicable law and internal policies;

- Establish mandatory compliance and other training and education initiatives;

- Engage in only fair business practices;

- Maintain an information governance program wherein patient, billing, employment, and other business records are authenticated and maintained in accordance with NYC Health + Hospitals' record management, privacy, and data security policies;

- Ensure that all business records are kept securely, recorded accurately, authentic when produced, and available when needed;
- Protect patient and workforce member privacy and confidentiality; and
- Provide notice to patients and other affected parties as required by applicable law and internal policies in the case of a breach of confidential information;

- Participate in the NYC Health + Hospitals Corporate Compliance and Ethics Program and promptly report compliance concerns;

- As a condition of employment or contract (or other agreement), comply with the POPC and, where appropriate, other NYC Health + Hospitals policies that relate to the types of services, duties, functions, and products that the workforce member and/or business partner provides;

- Prohibit and promptly report to appropriate parties allegations of retaliation, harassment or intimidation in response to workforce member, business partner or other stakeholder participation in the Corporate Compliance and Ethics Program;

- Establish and enforce fair and consistent disciplinary policies and procedures for workforce member and, to the extent applicable, business partner violations of law or NYC Health + Hospitals policies;

- Provide NYC Health + Hospitals/MetroPlus Health Plan members with access to the highest quality, cost-effective health care including a comprehensive program of care management, health education, and customer service;

  - Strive for performance excellence by holding the Plan and its providers to the highest standards to ensure that members receive quality care;
  - Engage in team work, including all human resources and providers, to deliver the highest quality care and services to members
  - Achieve superior provider, member, and employee satisfaction;
  - Be fiscally responsible and ensure that revenues received are used effectively;
  - Foster a culture of respectfulness in the way everyone who is encountered is treated;
  - Protect member rights; and
  - Be accountable to each other, members, and providers; and

- Adhere to all NYC Health + Hospitals/MetroPlus Health Plan's contractual commitments with Federal and State regulatory agencies;

IV. WHAT ARE THE RESPONSIBILITIES OF WORKFORCE MEMBERS UNDER THE POPC?

All workforce members are required to carry out their functions and duties - whether delivering clinical care, assisting in coding, billing or claims reimbursement activities, providing administrative oversight of NYC Health + Hospitals' operations, or acting as support personnel - in a professional and ethical manner. This means, each workforce member is responsible for the following:

- Not engaging in any acts, conduct or practice that would be contrary to any of the core objectives listed in Section III above or interfere with NYC Health + Hospitals achieving any of these core objectives;
- Following the POPC and other applicable NYC Health + Hospitals policies and procedures, and applicable law;
- Not engaging in unprofessional conduct, examples of which are provided in Section VI below;
- Completing assigned training and education programs;
- Fully cooperating with any internal or government investigation; and
- Reporting, as outlined in Section VIII below, any event, occurrence, activity or other incident that appears to violate applicable law or NYC Health + Hospitals policies and procedures.

Workforce members must understand and comply with the applicable rules and policies that relate to their particular duties, functions or role. If a workforce member does not know what rules or policies apply to his/her position, that workforce member should talk to his/her supervisor, manager, administrative head or chief of service.

V. WHAT ARE THE RESPONSIBILITIES OF NYC HEALTH + HOSPITALS BUSINESS PARTNERS UNDER THE POPC?

It is the expectation of NYC Health + Hospitals that each entity with which it partners to accomplish its mission: (i) adopts the POPC or their own code of conduct that includes the POPC's core objectives or substantially similar compliance goals; (ii) not violate the POPC or their own similar code; (iii) not engage in unprofessional conduct as described in Section VI below; (iv) timely reports to NYC Health + Hospitals any violation of the POPC of which it

becomes aware; and (v) fully cooperates, to the extent applicable, with any investigation by NYC Health + Hospitals or, if required, any governmental agency.

VI. WHAT ARE SOME EXAMPLES OF UNPROFESSIONAL CONDUCT?

The following are some examples of unprofessional conduct and are prohibited by NYC Health + Hospitals:

- Submitting false and/or fraudulent claims;
- Improper billing practices, including, but not limited to:
  - Billing for items or services not rendered or those that are not medically necessary;
  - Upcoding - using a billing or DRG code that provides for a higher payment rate than the correct code;
  - Submitting multiple claims for a single service or submitting a claim to more than one primary payor at the same time;
  - Unbundling - submitting claims in a piecemeal or fragmented way to improperly increase payment;
- Failing to promptly report and refund, as required by law, any overpayment;
- Interfering with or otherwise impeding an internal or government investigation;
- Submitting false cost reports;
- Failure to deliver medical care to any individual based on their inability to pay;
- Failure to comply with laws governing workplace safety;
- Engaging in conduct that is discriminatory in nature, amounts to sexual or other harassment, or constitutes intimidation, as well any act or threat of violence;
- Engaging in conduct that is hazardous to the environment;
- Engaging in conflicts of interest;
  - Accepting gifts or services from a patient, vendor or potential vendor;
  - Unlawfully donating hospital funds, services and products, or other resources to any political cause, party or candidate;

- Failing to comply with the Chapter 68 of the New York City Charter or the NYC Health + Hospitals Code of Ethics to the extent such conflicts of interest policies apply;

- Failure to complete mandated training;
- Failure to maintain accurate, clear, and comprehensive medical records;
- Improperly using, disclosing, accessing, transmitting, and/or storing patient, workforce member or business information;
- Entering into an agreement with a business partner or affiliate the terms of which: (i) do not call for compliance with the POPC; or (ii) provide for activities and services that constitute unprofessional conduct;
- Engaging in business practices and acts that are unfair, deceptive or anti-competitive;
- Conducting unlawful marketing practices to enroll members into NYC Health + Hospitals/MetroPlus Health Plan including, but not limited to, engaging in unlawful beneficiary inducements;
- Failure to promptly report a potential compliance concern or incident;
- Submitting false statements, certifications, qualifications and/or documentation required in any business dealings or one's role;
- Any violation of Federal and State human subject research laws and/or the NYC Health + Hospitals Human Subject Research Protections Program Policies and Procedures;
- Any violation of applicable NYC Health + Hospitals' policies and procedures;
- Other types of unprofessional conduct, including, but not limited to:
  - Misuse or misallocation of World Trade Center Health Program, DSRIP Program, research or grant funds;
  - Engaging in improper or illegal business arrangements;
  - Giving or receiving anything of value ~~for~~to induce referrals for items or services, or the ordering or items or services;

- Hiring or contracting with persons or entities excluded from participation in Federal health care programs; and
- Engaging in any activity or conduct that may result in the imposition of civil monetary penalties.

VII. WHAT HAPPENS IF YOU ENGAGE IN UNPROFESSIONAL CONDUCT OR OTHERWISE VIOLATE THE POPC?

Workforce members or business partners who engage in unprofessional conduct or act contrary to applicable law or NYC Health + Hospitals' policies and procedures, many of which are summarized in the POPC core objectives or other elements of the POPC, shall be subject to disciplinary action up to and including termination of employment, contract, and/or other affiliation with NYC Health + Hospitals, as applicable.

VIII. HOW TO REPORT ISSUES OR VIOLATIONS.

Workforce members and business partners, as applicable, are responsible for promptly reporting to the Office of Corporate Compliance any suspected unlawful or unethical behavior or incidents and/or violations of the POPC. Reports may be made, by phone, fax or e-mail in the following manner:

NYC Health + Hospitals
Office of Corporate Compliance
160 Water Street, Suite 1129
New York, NY 10038
Telephone: (646) 458-7799
Facsimile: (646) 458-5624
E-mail: COMPLIANCE@nychhc.org
Confidential Compliance Helpline: 1-866-HELP-HHC (1-866-435-7442)

Reports may be made anonymously by using the **CONFIDENTIAL COMPLIANCE HELPLINE** provided directly above. Each report received by will be treated confidentially, fully assessed, and investigated as warranted.

IX. PROHIBITION OF RETALIATION/WHISTLEBLOWER PROTECTION.

NYC Health + Hospitals is committed to protecting whistleblowers. Accordingly, NYC Health + Hospitals strictly prohibits intimidation, harassment, or retaliation, in any form against any individual who in good faith participates in the Corporate Compliance and Ethics Program by reporting or participating in the investigation of suspected violations of law, regulation, policies and/or suspicions of fraud, waste, or abuse. Examples of retaliation include unjustified

discharge/termination, demotion, or suspension of employment; threatening or harassing behavior; and/or negative or onerous change in any term or condition of employment.

Any attempt by an individual or entity to intimidate, harass, or retaliate against a reporter or potential reporter will result in action up to and including termination of employment, contract, and/or other affiliation with NYC Health + Hospitals.

X. STAY INFORMED!

Workforce members and business partners are strongly encouraged to familiarize themselves with NYC Health + Hospitals' mission, values, *Guiding Principles*, and to stay informed of the many NYC Health + Hospitals policies related to the POPC's core objectives by visiting its intranet page at _____, or NYC Health + Hospitals' public website at _____. Questions regarding these policies or any of the following important topics, may be addressed by contacting the Office of Corporate Compliance as described in Section VIII above:

- NYC Health + Hospitals Corporate Compliance and Ethics Program
- Stark Law, Anti-Kickback Statute, State and Federal False Claims Acts, Civil Monetary Penalties Law, Exclusion Authorities, Criminal Healthcare Fraud Statute, and New York Labor Law §§ 740 and 741;
- Billing, coding, payments, accounting, and record keeping;
- Conflicts of interest;
- Customer and vendor relations;
- Discrimination, sexual harassment, and retaliation;
- Patient rights;
- HIPAA and patient confidentiality;
- Workplace safety and environment of care issues;
- Improper business arrangements (*e.g.,* leases) or referrals; and
- Information governance.

Attachment "B"

NEW YORK CITY HEALTH AND HOSPITALS CORPORATION

STAY INFORMED

You can call the COMPLIANCE HELP LINE if you have questions about policy, ethics, or rules that apply to the following areas:

- Billing, accounting and record keeping
- Conflicts of interest
- Customer and vendor relations
- Discrimination, sexual harassment and retaliation
- Patient care and confidentiality
- Safety, health and environmental issues
- Improper business arrangements (e.g., leases)

If at any time you are concerned about a situation that appears to be illegal or unethical or if something you are being told doesn't "sit right" with you, it is your responsibility to report your concerns.

You should seek guidance from your supervisor first. If for any reason you are unable to speak to your supervisor, contact any member of the Compliance Team, or make an anonymous report to the toll-free COMPLIANCE HELP LINE at:

1-866-HELP-HHC
(1-866-4357-442)

NEW YORK CITY HEALTH AND HOSPITALS CORPORATION

Created and Designed by: Office of Communications and Marketing
Office of Legal Affairs
Office of Corporate Compliance

PRINCIPLES OF PROFESSIONAL CONDUCT

BASIC PRINCIPLES OF PROFESSIONAL CONDUCT

The Basic Principles of Professional Conduct is a guide to help all HHC employees make sure they conduct official business in a manner that is both lawful and ethical. You must comply with the rules that apply to health care operations and to your particular duties. In most cases, we are proud to say that our employees willingly adopt and uphold our standards.

Sometimes, however, employees make mistakes because they are not aware of the rules. We urge you to make sure you know and understand all the rules and policies that apply to your work. If you do not know what rules apply to you, talk to your supervisor.

WHAT HAPPENS IF YOU VIOLATE THE BASIC PRINCIPLES OF PROFESSIONAL CONDUCT?

- Employees who knowingly break HHC rules or a state, federal or local law are subject to disciplinary action up to and including dismissal.

EMPLOYEE PROTECTION FROM RETALIATION

- HHC strictly prohibits retaliation, in any form, against any individual making a report, complaint, or inquiry in good faith, concerning suspected fraud, waste, and abuse or other suspected violation of law or HHC policy will be subject to disciplinary action up to and including dismissal.

EXAMPLES OF VIOLATIONS OF PROFESSIONAL CONDUCT

- Improper billing practices, including but not limited to:
  - — Billing for items or services not rendered.
  - — Upcoding - Using a billing or DRG code that provides for a higher payment rate than the correct code.
  - — Submitting multiple claims for a single service or submitting a claim to more than one primary payer at the same time.
  - — Submitting false cost reports.
  - — Unbundling - submitting claims in a piecemeal or fragmented way to increase payment for tests or procedures that should be billed together.
  - — Providing medically unnecessary services.
  - — Retaining any overpayments.
- Submitting false statements or certifications in business dealings.
- Accepting gifts or services from a vendor. Unlawfully donating hospital funds, services and products, or other resources to any political cause, party or candidate.
- Giving or receiving anything of value for Medicare or Medicaid referrals.
- Improper disclosure of confidential patient information.
- Any violation of HHC policies concerning patient care or advance directives.

Please complete the below Statement of Understanding and return it to your Human Resources Department. The signed statement will be placed in your personnel file.

BASIC PRINCIPLES OF CONDUCT STATEMENT OF UNDERSTANDING

I certify that I have read and understand the Basic Principles of Professional Conduct and agree to abide by it during the entire term of my employment. I acknowledge that I have a duty to report any alleged or suspected violation of the Basic Principles of Professional Conduct. Unless otherwise noted below, I am not aware of any violation of the Basic Principles of Professional Conduct.

Signature: _____

Date: _____

Print/Type Name: _____

Position/Department _____

Employee Number: _____