

**CERTIFICATION OF COMPLIANCE AGREEMENT  
BETWEEN THE  
OFFICE OF INSPECTOR GENERAL OF THE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
AND**

**MEMORIAL HEALTH, INC., MEMORIAL HEALTH UNIVERSITY MEDICAL CENTER,  
INC., GEORGIA EYE INSTITUTE, INC., AND PROVIDENT EYE PHYSICIANS, INC.**

**I. PREAMBLE**

Memorial Health, Inc., Memorial Health University Medical Center, Inc., Georgia Eye Institute, Inc., and Provident Eye Physicians, Inc. (collectively, “Memorial”) hereby enter into this Certification of Compliance Agreement (CCA) with the Office of Inspector General (OIG) of the United States Department of Health and Human Services (HHS). Contemporaneously with this CCA, Memorial is entering into a Settlement Agreement with the United States.

Memorial Health, Inc. owns and operates Memorial Health University Medical Center, Inc., a Savannah-based hospital, Provident Eye Physicians, Inc., a Savannah-based entity that employs ophthalmologists, and Georgia Eye Institute, Inc., a Savannah-based entity that is staffed by Provident physicians and provides ophthalmologic services to patients. Memorial Health, Inc. has operated a Compliance Program since 1995. Memorial Health University Medical Center, Inc., Provident Eye Physicians, Inc., and Georgia Eye Institute, Inc., among other entities, are subject to this Compliance Program.

The effective date of this CCA shall be the date on which the final signatory of this CCA executes this CCA (Effective Date). Each one-year period, beginning with the one-year period following the Effective Date, shall be referred to as a “Reporting Period.”

**II. INTEGRITY REQUIREMENTS**

Memorial shall, for a period of three years from the Effective Date of this CCA:

A. Continued Implementation of Compliance Program. Memorial shall continue to implement its Compliance Program, as described in the attached Declaration (which is incorporated by reference as Appendix A), and continue to provide, at a minimum, the same level of resources currently provided, throughout this time period. Memorial may amend its Compliance Program as it deems necessary, so long as those amendments are consistent with the overall objective of ensuring compliance with the requirements of Medicare, Medicaid, and all other Federal health care programs, as defined in 42 U.S.C. § 1320a-7b(f).

B. Reporting of Overpayments. Memorial shall promptly refund to the appropriate Federal health care program payor any identified Overpayment(s). For purposes of this CCA, an “Overpayment” shall mean the amount of money Memorial has received in excess of the amount due and payable under any Federal health care program requirements. If, at any time, Memorial identifies or learns of any Overpayment, Memorial shall notify the payor (e.g., Medicare fiscal intermediary or carrier) within 30 days after identification of the Overpayment and take remedial steps within 60 days after identification (or such additional time as may be agreed to by the payor) to correct the problem, including preventing the underlying problem and the Overpayment from recurring. Also, within 30 days after identification of the Overpayment, Memorial shall repay the Overpayment to the appropriate payor to the extent such Overpayment has been quantified. If not yet quantified, within 30 days after identification, Memorial shall notify the payor of its efforts to quantify the Overpayment amount along with a schedule of when such work is expected to be completed. Notification and repayment to the payor shall be done in accordance with the payor’s policies and, for Medicare contractors, shall include the information contained on the Overpayment Refund Form, provided as Appendix B to this CCA. Notwithstanding the above, notification and repayment of any Overpayment amount that is routinely reconciled or adjusted pursuant to policies and procedures established by the payor should be handled in accordance with such policies and procedures.

C. Reportable Events. Memorial shall report to OIG in writing within 30 days after making a determination (after a reasonable opportunity to conduct an appropriate review or investigation of the allegations) that there is a Reportable Event, which shall mean anything that involves: (1) a substantial Overpayment, (2) a matter that a reasonable person would consider a probable violation of criminal, civil, or administrative laws applicable to any Federal health care program for which penalties or exclusion may be authorized; or (3) the filing of a bankruptcy petition by Memorial. In such report, Memorial shall include the following information:

1. If the Reportable Event results in an Overpayment, the report to OIG shall be made at the same time as the notification to the payor required in Section II.B, and shall include all of the information on the Overpayment Refund Form, as well as:
  - a. the payor’s name, address, and contact person to whom the Overpayment was sent; and
  - b. the date of the check and identification number (or electronic transaction number) by which the Overpayment was repaid/refunded;

2. a complete description of the Reportable Event, including the relevant facts, persons involved, and legal and Federal health care program authorities implicated;
3. a description of Memorial's actions taken to correct the Reportable Event;
4. any further steps Memorial plans to take to address the Reportable Event and prevent it from recurring; and
5. If the Reportable Event(s) involves the filing of a bankruptcy petition, the report to the OIG shall include documentation of the filing and a description of any Federal health care program authorities implicated.

D. Notification of Government Investigation or Legal Proceedings. Within 30 days after discovery, Memorial shall notify OIG, in writing, of any ongoing investigation or legal proceeding known to Memorial conducted or brought by a governmental entity or its agents involving an allegation that Memorial has committed a crime or has engaged in fraudulent activities. This notification shall include a description of the allegation, the identity of the investigating or prosecuting agency, and the status of such investigation or legal proceeding. Memorial shall also provide written notice to OIG within 30 days after the resolution of the matter, and shall provide OIG with a description of the findings and/or results of the investigation or proceedings, if any.

E. Annual Reporting Requirements. Memorial shall submit to OIG annually a report that sets forth the following information for each Reporting Period (Annual Report):

1. A description of any material amendments to its Compliance Program and the reasons for such changes;
2. Any reductions to the level of resources dedicated to its Compliance Program and the reasons for such changes;
3. A summary of all internal or external reviews, audits, or analyses of its Compliance Program (including, at a minimum, the objective of the review, audit, or analysis; the protocol or methodology for the review, audit, or analysis; and the results of the review, audit, or analysis) and any corrective action plans developed in response to such reviews, audits, or analyses;

4. A summary of all internal or external reviews, audits, or analyses related to Memorial's arrangements and transactions that implicate the Anti-Kickback Statute (42 U.S.C. § 1320a-7b(b)) and Stark Law (42 U.S.C. § 1395nn), and the regulations implemented pursuant to such statutes. The summary shall describe the financial arrangements (including, at a minimum, the objective of the review, audit, or analysis; the protocol or methodology for the review, audit, or analysis; and the results of the review, audit, or analysis) and any corrective action plans developed in response to such reviews, audits, or analyses;

5. A report of the aggregate Overpayments that have been returned to the Federal health care programs. Overpayment amounts shall be broken down into the following categories: inpatient Medicare, outpatient Medicare, Medicaid (report each state separately, if applicable), and other Federal health care programs. Overpayment amounts that are routinely reconciled or adjusted pursuant to policies and procedures established by the payor do not need to be included in this aggregate Overpayment report; and

6. A certification by the Compliance Officer that: (a) to the best of his or her knowledge, except as otherwise described in the Annual Report, Memorial is in compliance with the requirements of this Section II; and (b) he or she has reviewed the Annual Report and has made reasonable inquiry regarding its content and believes that the information in the Annual Report is accurate and truthful.

The first Annual Report shall be received by OIG no later than 60 days after the end of the first Reporting Period. Subsequent Annual Reports shall be received by OIG no later than the anniversary date of the due date of the first Annual Report.

F. Notifications and Submission of Annual Reports. Unless otherwise specified in writing after the Effective Date, all notifications and Annual Reports required under this CCA shall be submitted to the following addresses:

OIG:

Administrative and Civil Remedies Branch  
Office of Counsel to the Inspector General  
Office of Inspector General  
U.S. Department of Health and Human Services  
Cohen Building, Room 5527  
330 Independence Avenue, S.W.  
Washington, DC 20201  
Telephone: 202-619-2078  
Facsimile: 202-205-0604

Memorial:

Mary Ann Beil  
Vice President of Corporate Ethics and Compliance  
Memorial Health, Inc.  
4700 Waters Avenue  
Savannah, Georgia 31404  
Telephone: 912-350-5193  
Facsimile: 912-350-8665

Unless otherwise specified, all notifications and reports required by this CCA may be made by certified mail, overnight mail, hand delivery, or other means, provided that there is proof that such report or notification was received. For purposes of this requirement, internal facsimile confirmation sheets do not constitute proof of receipt.

G. OIG Inspection, Audit, and Review Rights. In addition to any other rights OIG may have by statute, regulation, or contract, OIG or its duly authorized representative(s) may examine or request copies of Memorial's books, records, and other documents and supporting materials and/or conduct on-site reviews of any of Memorial's locations for the purpose of verifying and evaluating: (a) Memorial's compliance with the terms of this CCA; and (b) Memorial's compliance with the requirements of the Federal health care programs in which it participates. The documentation described above shall be made available by Memorial to OIG or its duly authorized representative(s) at all reasonable times for inspection, audit, or reproduction. Furthermore, for purposes of this provision, OIG or its duly authorized representative(s) may interview any of Memorial's employees, contractors, or agents who consent to be interviewed at the individual's place of business during normal business hours or at such other place and time as may be mutually agreed upon between the individual and OIG. Memorial shall assist OIG or its duly authorized representative(s) in contacting and

arranging interviews with such individuals upon OIG's request. Memorial's employees may elect to be interviewed with or without a representative of Memorial present.

H. Document and Record Retention. Memorial shall maintain for inspection all documents and records relating to reimbursement from the Federal health care programs, or to compliance with this CCA, for four years (or longer if otherwise required by law).

### III. BREACH AND DEFAULT PROVISIONS

Memorial is expected to fully and timely comply with all of the Integrity Requirements set forth in this CCA.

A. Stipulated Penalties for Failure to Comply with Certain Obligations. As a contractual remedy, Memorial and OIG hereby agree that failure to comply with the Integrity Requirements set forth in this CCA may lead to the imposition of the following monetary penalties (hereinafter referred to as "Stipulated Penalties") in accordance with the following provisions.

1. A Stipulated Penalty of \$2,500 (which shall begin to accrue on the day after the date the obligation became due) for each day Memorial fails to establish and implement any of the following compliance program elements as described in Section II and the Declaration attached to this CCA as Appendix A:

- a. a Compliance Officer;
- b. a Compliance Committee;
- c. a written Code of Business Practice;
- d. written Policies and Procedures;
- e. the annual training of officers, directors, employees, and other persons involved with the development, approval, management, or review of arrangements that could potentially implicate the Anti-Kickback Statute and the Stark Law;
- f. an audit function which monitors Memorial's compliance with Federal health care program requirements;
- g. a Disclosure Program;
- h. Ineligible Persons screening and removal requirements; and

- i. notification of government investigations and legal proceedings.
2. A Stipulated Penalty of \$2,500 (which shall begin to accrue on the day after the date the obligation became due) for each day Memorial fails to submit the Annual Reports to OIG in accordance with the requirements of Section II.E by the stated deadlines for submission.
3. A Stipulated Penalty of \$1,500 for each day Memorial fails to grant access to the information or documentation as required in Section II.G of this CCA. (This Stipulated Penalty shall begin to accrue on the date Memorial fails to grant access.)
4. A Stipulated Penalty of \$5,000 for each false certification submitted by or on behalf of Memorial as part of its Annual Reports or otherwise required by this CCA.
5. A Stipulated Penalty of \$1,000 for each day Memorial fails to comply fully and adequately with any Integrity Requirements of this CCA. OIG shall provide notice to Memorial, stating the specific grounds for its determination that Memorial has failed to comply fully and adequately with the Integrity Requirement(s) at issue and steps Memorial shall take to comply with the Integrity Requirements of this CCA. (This Stipulated Penalty shall begin to accrue 10 days after Memorial receives notice from OIG of the failure to comply.) A Stipulated Penalty as described in this Subsection shall not be demanded for any violation for which OIG has sought a Stipulated Penalty under Subsections 1-4 of this Section III.A.

B. Timely Written Requests for Extensions. Memorial may, in advance of the due date, submit a timely written request for an extension of time to perform any act or file any notification or report required by this CCA. Notwithstanding any other provision in this Section, if OIG grants the timely written request with respect to an act, notification, or report, Stipulated Penalties for failure to perform the act or file the notification or report shall not begin to accrue until one day after Memorial fails to meet the revised deadline set by OIG. Notwithstanding any other provision in this Section, if OIG denies such a timely written request, Stipulated Penalties for failure to perform the act or file the notification or report shall not begin to accrue until three business days after Memorial receives OIG's written denial of such request or the original due date, whichever is later. A "timely written request" is defined as a request in writing received by OIG at least five business days prior to the date by which any act is due to be performed or any notification or report is due to be filed.

C. Payment of Stipulated Penalties.

1. *Demand Letter.* Upon a finding that Memorial has failed to comply with any of the obligations described in Section III.A and after determining that Stipulated Penalties are appropriate, OIG shall notify Memorial of: (a) Memorial's failure to comply; and (b) OIG's exercise of its contractual right to demand payment of the Stipulated Penalties (this notification is referred to as the "Demand Letter").

2. *Response to Demand Letter.* Within 10 days after the receipt of the Demand Letter, Memorial shall either: (a) cure the breach to OIG's satisfaction and pay the applicable Stipulated Penalties; or (b) request a hearing before an HHS administrative law judge (ALJ) to dispute OIG's determination of noncompliance, pursuant to the agreed upon provisions set forth below in Section III.E. In the event Memorial elects to request an ALJ hearing, the Stipulated Penalties shall continue to accrue until Memorial cures, to OIG's satisfaction, the alleged breach in dispute. Failure to respond to the Demand Letter in one of these two manners within the allowed time period shall be considered a material breach of this CCA and shall be grounds for exclusion under Section III.D.

3. *Form of Payment.* Payment of the Stipulated Penalties shall be made by certified or cashier's check, payable to: "Secretary of the Department of Health and Human Services," and submitted to OIG at the address set forth in Section II.F.

4. *Independence from Material Breach Determination.* Except as set forth in Section III.D.1.c, these provisions for payment of Stipulated Penalties shall not affect or otherwise set a standard for OIG's decision that Memorial has materially breached this CCA, which decision shall be made at OIG's discretion and shall be governed by the provisions in Section III.D, below.

D. Exclusion for Material Breach of this CCA.

1. *Definition of Material Breach.* A material breach of this CCA means:

a. a failure by Memorial to report a Reportable Event, take corrective action, and make the appropriate refunds, as required in Section II.C;

b. a repeated or flagrant violation of the obligations under this CCA, including, but not limited to, the obligations addressed in Section III.A; or



- c. a failure to respond to a Demand Letter concerning the payment of Stipulated Penalties in accordance with Section III.C.

2. *Notice of Material Breach and Intent to Exclude.* The parties agree that a material breach of this CCA by Memorial constitutes an independent basis for Memorial's exclusion from participation in the Federal health care programs. Upon a determination by OIG that Memorial has materially breached this CCA and that exclusion is the appropriate remedy, OIG shall notify Memorial of: (a) Memorial's material breach; and (b) OIG's intent to exercise its contractual right to impose exclusion (this notification is referred to as the "Notice of Material Breach and Intent to Exclude").

3. *Opportunity to Cure.* Memorial shall have 30 days from the date of receipt of the Notice of Material Breach and Intent to Exclude to demonstrate to OIG's satisfaction that:

- a. Memorial is in compliance with the requirements of the CCA cited by OIG as being the basis for the material breach;

- b. the alleged material breach has been cured; or

- c. the alleged material breach cannot be cured within the 30-day period, but that: (i) Memorial has begun to take action to cure the material breach; (ii) Memorial is pursuing such action with due diligence; and (iii) Memorial has provided to OIG a reasonable timetable for curing the material breach.

4. *Exclusion Letter.* If, at the conclusion of the 30-day period, Memorial fails to satisfy the requirements of Section III.D.3, OIG may exclude Memorial from participation in the Federal health care programs. OIG shall notify Memorial in writing of its determination to exclude Memorial (this letter shall be referred to as the "Exclusion Letter"). Subject to the Dispute Resolution provisions in Section III.E, below, the exclusion shall go into effect 30 days after the date of Memorial's receipt of the Exclusion Letter. The exclusion shall have national effect and shall also apply to all other Federal procurement and nonprocurement programs. Reinstatement to program participation is not automatic. After the end of the period of exclusion, Memorial may apply for reinstatement by submitting a written request for reinstatement in accordance with the provisions at 42 C.F.R. §§ 1001.3001-.3004.

#### E. Dispute Resolution.

1. *Review Rights.* Upon OIG's delivery to Memorial of its Demand Letter or of its Exclusion Letter, and as an agreed-upon contractual remedy for the resolution of

disputes arising under this CCA, Memorial shall be afforded certain review rights comparable to the ones that are provided in 42 U.S.C. §1320a-7(f) and 42 C.F.R. Part 1005 as if they applied to the Stipulated Penalties or exclusion sought pursuant to this CCA. Specifically, OIG's determination to demand payment of Stipulated Penalties or to seek exclusion shall be subject to review by an HHS ALJ and, in the event of an appeal, the HHS Departmental Appeals Board (DAB), in a manner consistent with the provisions in 42 C.F.R. §§ 1005.2-1005.21. Notwithstanding the language in 42 C.F.R. § 1005.2(c), the request for a hearing involving Stipulated Penalties shall be made within 10 days after receipt of the Demand Letter and the request for a hearing involving exclusion shall be made within 25 days after receipt of the Exclusion Letter.

2. *Stipulated Penalties Review.* Notwithstanding any provision of Title 42 of the United States Code or Title 42 of the Code of Federal Regulations, the only issues in a proceeding for Stipulated Penalties under this CCA shall be: (a) whether Memorial was in full and timely compliance with the requirements of this CCA for which OIG demands payment; and (b) the period of noncompliance. Memorial shall have the burden of proving its full and timely compliance and the steps taken to cure the noncompliance, if any. OIG shall not have the right to appeal to the DAB an adverse ALJ decision related to Stipulated Penalties. If the ALJ agrees with OIG with regard to a finding of a breach of this CCA and orders Memorial to pay Stipulated Penalties, such Stipulated Penalties shall become due and payable 20 days after the ALJ issues such a decision unless Memorial requests review of the ALJ decision by the DAB. If the ALJ decision is properly appealed to the DAB and the DAB upholds the determination of OIG, the Stipulated Penalties shall become due and payable 20 days after the DAB issues its decision.

3. *Exclusion Review.* Notwithstanding any provision of Title 42 of the United States Code or Title 42 of the Code of Federal Regulations, the only issues in a proceeding for exclusion based on a material breach of this CCA shall be:

- a. whether Memorial was in material breach of this CCA;
- b. whether such breach was continuing on the date of the Exclusion Letter; and
- c. whether the alleged material breach could not have been cured within the 30-day period, but that: (i) Memorial had begun to take action to cure the material breach within that period; (ii) Memorial has pursued and is pursuing such action with due diligence; and (iii) Memorial provided to OIG within that period a reasonable timetable for curing the material breach and Memorial has followed the timetable.

For purposes of the exclusion herein, exclusion shall take effect only after an ALJ decision favorable to OIG, or, if the ALJ rules for Memorial, only after a DAB decision in favor of OIG. Memorial's election of its contractual right to appeal to the DAB shall not abrogate OIG's authority to exclude Memorial upon the issuance of an ALJ's decision in favor of OIG. If the ALJ sustains the determination of OIG and determines that exclusion is authorized, such exclusion shall take effect 20 days after the ALJ issues such a decision, notwithstanding that Memorial may request review of the ALJ decision by the DAB. If the DAB finds in favor of OIG after an ALJ decision adverse to OIG, the exclusion shall take effect 20 days after the DAB decision. Memorial shall waive its right to any notice of such an exclusion if a decision upholding the exclusion is rendered by the ALJ or DAB. If the DAB finds in favor of Memorial, Memorial shall be reinstated effective on the date of the original exclusion.

4. *Finality of Decision.* The review by an ALJ or DAB provided for above shall not be considered to be an appeal right arising under any statutes or regulations. Consequently, the parties to this CCA agree that the DAB's decision (or the ALJ's decision if not appealed) shall be considered final for all purposes under this CCA.

#### **IV. EFFECTIVE AND BINDING AGREEMENT**

Memorial and OIG agree as follows:

A. This CCA shall be binding on the successors, assigns, and transferees of Memorial;

B. This CCA shall become final and binding on the date the final signature is obtained on the CCA;

C. Any modifications to this CCA shall be made with the prior written consent of the parties to this CCA;

D. OIG may agree to a suspension of Memorial's obligations under this CCA in the event of Memorial's cessation of participation in Federal health care programs. If Memorial withdraws from participation in Federal health care programs and is relieved of its CCA obligations by OIG, Memorial shall notify OIG at least 30 days in advance of Memorial's intent to reapply as a participating provider or supplier with any Federal health care program. Upon receipt of such notification, OIG shall evaluate whether the CCA should be reactivated or modified.

E. The undersigned Memorial signatories represent and warrant that they are authorized to execute this CCA on behalf of Memorial Health, Inc., Memorial Health

University Medical Center, Inc., Provident Eye Physicians, Inc., and Georgia Eye Institute, Inc. The undersigned OIG signatory represents that he is signing this CCA in his official capacity and that he is authorized to execute this CCA.

ON BEHALF OF MEMORIAL HEALTH, INC., MEMORIAL HEALTH UNIVERSITY  
MEDICAL CENTER, INC., PROVIDENT EYE PHYSICIANS, INC., AND GEORGIA EYE  
INSTITUTE, INC.

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ROBERT A. COLVIN  
CHIEF EXECUTIVE OFFICER

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DATE


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PAUL B. MURPHY  
COUNSEL FOR MEMORIAL

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DATE

  
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T. MILLS FLEMING  
COUNSEL FOR MEMORIAL

*February 7, 2008*  
\_\_\_\_\_  
DATE

ON BEHALF OF THE OFFICE OF INSPECTOR GENERAL  
OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

  
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GREGORY E. DEMSKE  
Assistant Inspector General for Legal Affairs  
Office of Inspector General  
United States Department of Health and Human Services

*2/11/08*  
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DATE

ON BEHALF OF MEMORIAL HEALTH, INC., MEMORIAL HEALTH UNIVERSITY  
MEDICAL CENTER, INC., PROVIDENT EYE PHYSICIANS, INC., AND GEORGIA EYE  
INSTITUTE, INC.



ROBERT A. COLVIN  
CHIEF EXECUTIVE OFFICER

2/2/08  
DATE

\_\_\_\_\_  
PAUL B. MURPHY  
COUNSEL FOR MEMORIAL

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DATE

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T. MILLS FLEMING  
COUNSEL FOR MEMORIAL

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DATE

ON BEHALF OF THE OFFICE OF INSPECTOR GENERAL  
OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

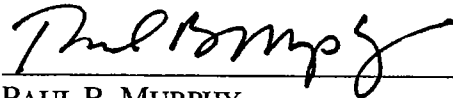
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GREGORY E. DEMSKE  
Assistant Inspector General for Legal Affairs  
Office of Inspector General  
United States Department of Health and Human Services

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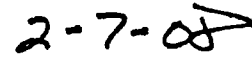
**ON BEHALF OF MEMORIAL HEALTH, INC., MEMORIAL HEALTH UNIVERSITY  
MEDICAL CENTER, INC., PROVIDENT EYE PHYSICIANS, INC., AND GEORGIA EYE  
INSTITUTE, INC.**

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ROBERT A. COLVIN  
CHIEF EXECUTIVE OFFICER

\_\_\_\_\_  
DATE



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PAUL B. MURPHY  
COUNSEL FOR MEMORIAL



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T. MILLS FLEMING  
COUNSEL FOR MEMORIAL

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**ON BEHALF OF THE OFFICE OF INSPECTOR GENERAL  
OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES**

\_\_\_\_\_  
GREGORY E. DEMSKE  
Assistant Inspector General for Legal Affairs  
Office of Inspector General  
United States Department of Health and Human Services

\_\_\_\_\_  
DATE

## Appendix A

### DECLARATION

The declarant is currently the Chief Compliance Officer for Memorial Health, Inc. and has personal knowledge of the facts stated herein. The following describes the compliance program (Program) currently in place at Memorial.

1. The annual budget for the Program is attached hereto as Exhibit 1 and Memorial shall sustain, at a minimum, the levels of funding reflected therein for three years subsequent to the Effective Date.

2. The Program includes a Compliance Officer who is responsible for developing and implementing policies, procedures, and practices designed to ensure compliance with Federal health care program requirements. The Compliance Officer also is responsible for monitoring the day-to-day compliance activities of Memorial. The Compliance Officer is a member of senior management of Memorial and is not subordinate to the General Counsel or, in the performance of any compliance activity, to the Chief Financial Officer. The Compliance Officer makes periodic (at least annual) reports regarding compliance matters directly to the Board of Directors of Memorial and is authorized to report on such matters to the Board of Directors at any time.

3. The Program includes a two-tiered Compliance Committee structure chaired by the Compliance Officer: (i) a System Compliance Group comprised of team leaders and managers charged with compliance responsibilities in their individual business units and departments; and (ii) a Corporate Integrity Team made up of other members of senior management necessary to support the Compliance Officer in fulfilling his/her responsibilities under the Program (e.g., senior executives of relevant departments, such as billing, audit, clinical, legal, human resources, and operations).

4. Memorial has in place a Code of Business Practice that includes: (a) Memorial's commitment to full compliance with all Federal health care program requirements, including its commitment to prepare and submit accurate claims consistent with such requirements; (b) Memorial's requirement that all of its personnel are expected to comply with all Federal health care program requirements and with the Policies and Procedures described in Paragraph 5 below; (c) the requirement that all of Memorial's personnel are expected to report to the Compliance Officer or other appropriate individual designated by Memorial suspected violations of any Federal health care program requirements or of Memorial's own Policies and Procedures; (d) the possible consequences to both Memorial and its personnel of failure to comply with Federal health care program requirements and with Memorial's own Policies and Procedures and the



failure to report such noncompliance; and (e) the right of Memorial's personnel to use the Disclosure Program described in Paragraph 8 below and Memorial's commitment to nonretaliation and to maintain, as appropriate, confidentiality and anonymity with respect to such disclosures. Each (i) owner, officer, director, and employee; (ii) contractor, subcontractor, agent, and other person who provides patient care items or services or who performs billing or coding functions on behalf of Memorial; and (iii) member of the medical staff of Memorial is required to certify in writing that he or she has received, read, understood, and will abide by the Code of Business Practice.

5. Memorial has in place policies and procedures regarding the operation of the Program and Memorial's compliance with Federal health care program requirements ("Policies and Procedures"). The Policies and Procedures are distributed to all relevant Memorial personnel. At least annually (and more frequently, if appropriate), Memorial reviews and updates as necessary its Policies and Procedures. When revisions are made, Memorial distributes the relevant portions of any revised Policies and Procedures to all Memorial personnel whose job functions relate to the revised Policies and Procedures.

6. Memorial has in place an annual training program that requires all (i) owners, officers, directors, and employees to receive at least one hour of annual compliance training that addresses Memorial's Code of Business Practice and the operation of the Program. Contractors, subcontractors, agents, and other persons who provide patient care items or services (other than medical staff members) are provided written guidelines outlining Memorial's compliance program. Members of the medical staff receive compliance training at orientation. Additionally, Memorial encourages all of its active medical staff to attend at least one hour of the annual compliance training described above and Memorial offers programs in ethics and compliance issues, coding training, and a diverse range of in-services for Medical Staff. Additionally, all incoming residents and medical students are oriented to Memorial's ethics and compliance program. Memorial's annual training program also offers additional hours of training for all employees, contractors, subcontractors, agents, and other person who provide patient care items or services or who perform billing, coding, or claims submission functions on behalf of Memorial. Team leaders are required to take additional training as part of Memorial's ethics and compliance leadership education initiative. These classes are determined by the team leader's area of responsibility; they include (a) Part A Billing Compliance; (b) Part B Billing Compliance; and (c) Working with Physicians-Ethics and Compliance Requirements. Such additional training addresses: (a) the Federal health care program requirements regarding the accurate coding and submission of claims; (b) policies, procedures, and other requirements applicable to the documentation of medical records; (c) the personal obligation of each individual involved in the claims submission process to ensure that such claims are accurate; (d) applicable reimbursement statutes, regulations, and program requirements and directives; (e) the legal sanctions for violations of Federal health care program requirements; (f) examples of proper and

improper claims submission practices; and (g) the policies, procedures, and other requirements applicable to financial arrangements, including the obligations of all individuals involved in the development, review, approval, and management of such arrangements, the legal sanctions for violating applicable laws, and examples of potential violations. Memorial maintains written or electronic records that identify the type of annual training provided, the date(s) of the training, and the attendees. Persons providing the training are knowledgeable about the subject area. Memorial reviews the training content on an annual basis and, as appropriate, updates the training to reflect changes in Federal health care program requirements and/or any issues discovered during the internal audits described in Paragraph 7 below. Notwithstanding the above, the training does not include part-time or per diem employees, contractors, agents, and other persons who are not reasonably expected to work more than 160 hours per year on behalf of Memorial, except that any such individuals are trained if they work more than 160 hours for Memorial during a calendar year.

7. Memorial has in place an internal audit department that performs periodic reviews to monitor Memorial's compliance with Federal health care program requirements, including focused reviews relating to specific risk areas identified by the OIG and/or through the Program. Memorial distributes the OIG Workplan to all team leaders and executives as part of its annual risk assessment in compliance. Every team leader and executive is required to complete an assurance of compliance of all risk areas relevant to their responsibilities or they must identify and address any risks. These risk areas are summarized and provided to internal audit for inclusion in the Internal Audit Plan for the institution. Memorial's compliance department conducts, or retains outside experts to conduct compliance reviews as needed upon the request of the Compliance Officer or other Memorial departments. Memorial has three (3) qualified employees who perform auditing functions.

8. Memorial maintains a Disclosure Program that includes a mechanism to enable individuals to disclose, to the Compliance Officer or some other person who is not in the disclosing individual's chain of command, any identified issues or questions associated with Memorial's policies, conduct, practices, or procedures with respect to a Federal health care program believed by the individual to be a potential violation of criminal, civil, or administrative law. Memorial publicizes the existence of the disclosure mechanism to all personnel.

The Disclosure Program emphasizes a nonretribution, nonretaliation policy and includes a reporting mechanism for anonymous communications for which appropriate confidentiality is maintained. Each disclosure is reviewed by the Compliance Officer, who either investigates the disclosure or refers the disclosure to the relevant department or manager for follow up and any appropriate corrective action.

The Compliance Officer (or designee) maintains a disclosure log, which includes a record and summary of each disclosure received (whether anonymous or not), the status of Memorial's internal review of the allegations, and any corrective action taken in response to the internal review.

9. Memorial has in place appropriate procedures, and will maintain appropriate policies and procedures for screening all prospective officers, directors, employees, Contractors, and members of the medical staff to ensure that they are not Ineligible Persons<sup>1</sup> by: (a) requiring such persons to disclose whether they are an Ineligible Person; and (b) appropriately querying the General Services Administration's List of Parties Excluded from Federal Programs (available through the Internet at <http://epls.arnet.gov>) and the HHS/OIG List of Excluded Individuals/Entities (available through the Internet at <http://oig.hhs.gov>) (these lists shall hereinafter be referred to as the "Exclusion Lists"). Memorial also performs regular (at least annual) screening of its current owners, officers, directors, employees, contractors, agents, and members of the medical staff against the Exclusion Lists and requires all owners, officers, directors, employees, contractors, agents, and members of the medical staff to disclose immediately any debarment, exclusion, suspension, or other event that makes that person an Ineligible Person.

Memorial also has a protocol, addressed in the code of Business Practice that, if Memorial has actual notice that an owner, officer, director, employee, contractor, agent, or member of the medical staff has become an Ineligible Person, Memorial will remove such person from responsibility for, or involvement with, Memorial's business operations related to the Federal health care programs and will remove such person from any position for which the person's compensation or items or services furnished, ordered, or prescribed by the person are paid in whole or in part, directly or indirectly, by Federal health care programs or otherwise with Federal funds, at least until such time as the person is reinstated into participation in the Federal health care programs. (Nothing in this Declaration affects the responsibility of Memorial to refrain from billing Federal health care programs for items or services furnished, ordered, or prescribed by excluded individuals or Memorial's liability for overpayments received by Memorial as a result of billing any Federal health care program for such items or services.)

The undersigned signatory represents and warrants that he/she is authorized to execute this declaration on behalf of Memorial.

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<sup>1</sup> An "Ineligible Person" is an individual or entity who: (i) is currently excluded, debarred, suspended, or otherwise ineligible to participate in the Federal health care programs or in Federal procurement or nonprocurement programs; or (ii) has been convicted of a criminal offense that falls within the ambit of 42 U.S.C. § 1320a-7(a), but has not yet been excluded, debarred, suspended, or otherwise declared ineligible.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 7<sup>th</sup> day of February.

  
\_\_\_\_\_  
MARY ANN BEIL  
CHIEF COMPLIANCE OFFICER

## OVERPAYMENT REFUND

### TO BE COMPLETED BY MEDICARE CONTRACTOR

Date: \_\_\_\_\_  
 Contractor Deposit Control # \_\_\_\_\_ Date of Deposit: \_\_\_\_\_  
 Contractor Contact Name: \_\_\_\_\_ Phone # \_\_\_\_\_  
 Contractor Address: \_\_\_\_\_  
 Contractor Fax: \_\_\_\_\_

### TO BE COMPLETED BY PROVIDER/PHYSICIAN/SUPPLIER

*Please complete and forward to Medicare Contractor. This form, or a similar document containing the following information, should accompany every voluntary refund so that receipt of check is properly recorded and applied.*

PROVIDER/PHYSICIAN/SUPPLIER NAME \_\_\_\_\_  
 ADDRESS \_\_\_\_\_  
 PROVIDER/PHYSICIAN/SUPPLIER # \_\_\_\_\_ CHECK NUMBER# \_\_\_\_\_  
 CONTACT PERSON: \_\_\_\_\_ PHONE # \_\_\_\_\_ AMOUNT OF CHECK  
 \$ \_\_\_\_\_ CHECK DATE \_\_\_\_\_

### REFUND INFORMATION

**For each Claim, provide the following:**

Patient Name \_\_\_\_\_ HIC # \_\_\_\_\_  
 Medicare Claim Number \_\_\_\_\_ Claim Amount Refunded \$ \_\_\_\_\_  
 Reason Code for Claim Adjustment: \_\_\_\_\_ (Select reason code from list below. Use one reason per claim)

*(Please list all claim numbers involved. Attach separate sheet, if necessary)*

*Note: If Specific Patient/HIC/Claim #/Claim Amount data not available for all claims due to Statistical Sampling, please indicate methodology and formula used to determine amount and reason for overpayment: \_\_\_\_\_*

**For Institutional Facilities Only:**

Cost Report Year(s) \_\_\_\_\_  
 (If multiple cost report years are involved, provide a breakdown by amount and corresponding cost report year.)

**For OIG Reporting Requirements:**

Do you have a Corporate Integrity Agreement with OIG? Yes No

**Reason Codes:**

<b>Billing/Clerical Error</b> 01 - Corrected Date of Service 02 - Duplicate 03 - Corrected CPT Code 04 - Not Our Patient(s) 05 - Modifier Added/Removed 06 - Billed in Error 07 - Corrected CPT Code	<b>MSP/Other Payer Involvement</b> 08 - MSP Group Health Plan Insurance 09 - MSP No Fault Insurance 10 - MSP Liability Insurance 11 - MSP, Workers Comp.(Including Black Lung 12 - Veterans Administration	<b>Miscellaneous</b> 13 - Insufficient Documentation 14 - Patient Enrolled in an HMO 15 - Services Not Rendered 16 - Medical Necessity 17 - Other (Please Specify)
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