HCA ETHICS AND COMPLIANCE PROGRAM

The HCA Ethics and Compliance Program is intended to accomplish two goals.

One of these goals is trying to ensure that everyone associated with HCA-affiliated facilities reflects the Mission and Values Statement, the Fundamental Commitment to Stakeholders, and other aspirational standards set forth in the Code of Conduct. Taken together, these approaches to the operation of affiliated facilities set ambitious standards for how we treat our patients, the physicians who practice in affiliated facilities, one another, and other groups with whom we interact. If everyone associated with an HCA-affiliated facility were to reflect these standards in his or her activities, it would ensure that we would provide compassionate, efficient, quality, patient-focused healthcare at all times. One of our greatest challenges is ensuring that these aspirational principles remain at the center of what we do.

The other goal of this program is that of legal compliance. This goal is self-explanatory. One of the major challenges of the Ethics and Compliance Program is to ensure that the somewhat general and aspirational guiding principles of the Program are not overwhelmed by the detail of the legal compliance obligations.

Organizational Structure

Corporate Ethics and Compliance Committees – The Senior Vice President and Chief Ethics and Compliance Officer chairs, and the Assistant Vice President, Ethics and Compliance Program Development acts as secretary to, the Corporate Ethics and Compliance Steering and Policy Committees. They schedule all meetings, prepare agendas and minutes and conduct such follow-up after meetings as is necessary. The Senior Vice President and Chief Ethics and Compliance Officer reports regularly to the Audit and Compliance Committee of the Board of Directors.

Chief Ethics and Compliance Officer (ECO) – Alan Yuspeh, with the support of the Ethics and Compliance Department, serves as the Chief ECO, which includes advising Senior Management and the Board of Directors regarding business decisions that have ethical components and/or legal compliance risks.

Group and Division ECOs – There are ECOs throughout the organization, including in most Groups and all Divisions. The Ethics and Compliance Department (hereinafter “the Department”) coordinates quarterly conference calls and periodic meetings with these ECOs. The main role of the Group and Division ECOs is to provide guidance and oversight to the ECOs within their Group or Division, as well as to lead the Ethics and Compliance Program for their Group or Division’s employees.

ECO Program – Each HCA hospital has an individual devoted at least part of his/her time to overseeing the Ethics and Compliance Program for that facility. This individual is known as the ECO. The Department is responsible for designing and implementing the assignment and training of local ECOs. The Department has developed Guidebooks for ECOs (for various
settings), which provide detail regarding the role of ECOs. Specific elements of the program are described in greater detail below.

- **Shared Services Group (SSG)** – Each Shared Services Center (SSC) has a dedicated ECO who oversees the Ethics and Compliance Program within the SSC setting. It includes ensuring there is coordination and integration of compliance efforts among affiliated facilities and the SSCs.

- **ECOs in other settings** – There are also ECOs in Supply Chain, HealthTrust Purchasing Group, All About Staffing, HCA Physician Services and the behavioral health and oncology service lines.

**Facility Ethics and Compliance Committees** – To assist in accomplishing the ECO mission and duties, each hospital is required to establish and maintain a Facility Ethics and Compliance Committee (FECC). The FECC is required to meet on a quarterly basis at a minimum. Detailed minutes are to be taken at each FECC meeting and provided to the Department.

**ECO Evaluations** – In order to continuously assess the performance of ECOs, each ECO in a hospital, ambulatory surgery center or HCAPS facility is required to conduct a self-assessment of his or her performance as an ECO annually in such areas as conducting investigations, leadership, program administration, training, communicating compliance standards, and identifying ethics and compliance trends. Upon completion of the ECO Evaluation, the evaluation is reviewed and commented upon by the ECO’s immediate supervisor. Upon the approval of the supervisor, the evaluation is forwarded to the Department for review and retention.

**ECO Advisory Committee** – The ECO Advisory Committee, comprised of ECOs from affiliated facilities, primarily provides feedback regarding policies and procedures. From time-to-time, the Committee might provide feedback regarding other aspects of the Ethics and Compliance Program.

**Responsible Executive Program** - The Department developed and leads the Responsible Executive Program. Such leadership includes interaction with and oversight of each Responsible Executive (RE) as to his or her respective area of responsibility, including development of policies and procedures, training and education, and monitoring. Responsible Executives develop workplans within their areas of expertise, which identify compliance risks, describe policies and training to be created or provided to address these risks, describe how implementation will be monitored and measured, and identify actions required to improve compliance. Through meeting individually with most REs annually, the Department oversees the development of these workplans and reviews the workplans to ensure that all major risk areas are adequately addressed. The Department developed a Guidebook for Responsible Executives to provide greater clarity for REs regarding their roles and responsibilities. The Department periodically leads meetings with all the REs designed to increase their level of engagement and to share plans with the REs for the Ethics and Compliance Program.

**International Ethics and Compliance Efforts** – The International Group has implemented an Ethics and Compliance Program, including an adapted version of the HCA Code of Conduct, policies and procedures, and training and communication regarding ethics and compliance.
issues. There is also continuing consultation on and review of the procedures pertaining to engaging foreign marketing agents in order to increase the likelihood of complying with the Foreign Corrupt Practices Act.

**Standards Development and Distribution**

**Code of Conduct Development and Revision** – HCA has a Code of Conduct, which is revised as necessary. The Code is available on the Company’s Intranet and includes Frequently Asked Questions and links to policies and related sites. Acknowledgment occurs through the training each employee receives within 30 days of hire. The Code is distributed to members of medical staffs as part of the credentialing and re-credentialing process.

**Code of Conduct Supplement for Leaders** – Leaders throughout the organization play a special role in implementing and supporting the Company’s Ethics and Compliance Program. They are provided with resources, such as the Code of Conduct Supplement for Leaders, to support them in that role.

**Policy Development and Distribution** – The Company has comprehensive compliance policies and procedures and related implementation materials. The policies are distributed to each facility and implementation is overseen by the facility ECO. The policies are available on the Company’s intranet and internet sites.

**Creating Awareness/Training and Education/Communications**

**Code of Conduct Training** – Each new employee receives orientation Code of Conduct training and annually employees of HCA-affiliated facilities receive one hour of Code of Conduct training. The training is offered in a number of methods, including facilitated sessions, online and via a CD. The focus of the orientation training is a comprehensive introduction to the Code of Conduct. The focus of the refresher training changes each year and has included among other themes: respect and diversity, various compliance topics, mission and values, and customer service.

**Compliance Training and the HealthStream Learning Center** – Responsible Executives identify compliance education needs, develop the content and ensure that the training is offered in the methods most accessible by affected colleagues. All ethics and compliance training is offered and tracked through the HealthStream Learning Center (HLC) learning management system.

**General Communication** – The Department communicates ethics and compliance messages throughout the organization. The communication often focuses on opportunities for improvement identified through the various assessment tools. To facilitate this communication, the Department maintains databases of local ECOs and affiliated facilities within the organization.
Program Visibility in Affiliated Facilities – The Ethics and Compliance Program is visible through posters advertising the availability of the Ethics Line, pamphlets on various ethics and compliance issues and resources available to address these issues.

Pamphlets in Physician Lounges – In an effort to make physicians more familiar with certain topics addressed in our Ethics and Compliance Program, hospitals include in their physician lounges pamphlets on Communication and Respect; Dealing with Regulatory and Accrediting Agencies; Dealing with and Reporting Misconduct; Diversity; Emergency Treatment; Patient Confidentiality; Research, Investigations and Clinical Trials; and Sexual Harassment.

ECO Newsletter – The Department distributes a quarterly newsletter, Compliance Matters, to ECOs. This newsletter discusses topics of general compliance interest and allows the Department to highlight issues of particular interest and relevance. ECOs are encouraged to use some or a portion of the newsletter within their facilities.

Compliance Alerts – The Department oversees the development of and issues Compliance Alerts, which provide guidance about areas of compliance risk that may not require a policy or that elaborate on certain aspects of policy implementation.

New ECO Orientation – New ECOs have the opportunity on a semi-annual basis to attend orientation. ECOs complete an online course, which includes detailed background information, prior to attending a session. These sessions focus on practical tips and strategies for implementing the program.

Best Practices – ECOs have the opportunity to share best demonstrated practices relating to ethics and compliance through Atlas, the ECO Newsletter and other communications as opportunities arise.

Internet & Intranet – The HCA web site includes detailed information regarding the Ethics and Compliance Program. The Company’s intranet includes both a robust Ethics and Compliance site, as well as the Code of Conduct site.

Reporting Concerns and Issues

Local Reporting of Concerns – Employees are encouraged to report matters of concern to their supervisor, another member of management, the Human Resources Director or the facility’s ECO.

Ethics Line – The Ethics Line is available to anyone who might wish to report a concern, including anonymously. The Ethics Line is available 24 hours a day, 7 days a week. The Department oversees the review, analysis and investigation of cases, which is often handled at the facility by the ECO. In all cases, feedback regarding the outcome of the case is available to the caller.

Internal Compliance Reporting System – The Department operates an Internal Compliance Reporting System to manage reporting of issues which may pose a risk of significant liability, including privacy matters of greater severity, patient inducement issues, Emergency Department
issues, licensure and credentialing issues, physician relationship issues, and potential issues involving other laws (e.g., Antitrust, FAA, NRC).

Reporting to HCA through the Internal Compliance Reporting System is designed to permit the aggregation, trending, and reporting of data; increase the likelihood of consistent application of corrective actions; and provide a means to disseminate to affiliated facilities and companies issues which are likely to recur in other affiliated facilities. The process for handling issues that are reported internally is overseen by the Department in close coordination with the relevant Responsible Executive.

**Auditing and Monitoring Efforts**

*Compliance Process Reviews* – The Department conducts Compliance Process. The purpose of these reviews is to identify opportunities for compliance process improvement at the facility and to identify ways the ECOs can better accomplish their ECO duties. These visits to hospitals, surgery centers and physician practices consist of coaching the ECO, reviewing key documentation, testing several compliance processes that should be in place, and interviewing employees. Reports are provided at the end of each visit to the facility ECO, his or her supervisor, the Division President, the Group President and the Division ECO and corrective action is tracked.

*Internal Audit Compliance Audit Reports* – The Company’s Internal Audit Department conducts audits of a number of compliance-related issues. Internal Audit, in consultation with the Department and Responsible Executives, conducts an assessment each year of the top compliance risks and focuses its reviews accordingly.

*Monitoring Efforts* – Responsible Executives develop and implement means of monitoring compliance performance.

*Employee Surveys* – Periodically, surveys of statistically valid groups of employees of affiliated facilities are conducted to assess certain Ethics and Compliance Program operational issues and workplace impressions. The surveys conducted in 1999, 2004 and 2009 all indicated a high level of awareness and appreciation of the Ethics and Compliance efforts of the organization.

**Other Activities**

*Sustainability* – The Senior Vice President and Chief ECO chairs and the AVP, Corporate Integrity & Sustainability serves as the secretary for the Corporate Sustainability Steering Committee. As such they schedule all meetings, prepare agendas, prepare minutes and conduct such follow-up after meetings as is necessary. The AVP, Corporate Integrity & Sustainability also chairs the Waste Stream Task Force, one of four task forces established to address sustainability efforts. The Department has developed a job description for and maintains a database of hospital Sustainability Coordinators. Oversight of the task force activities and interaction with outside professional organizations is provided by the Department.
**Records Management** – The Company has a comprehensive Records Management Program that includes policies, retention schedules, training programs and general assistance to the corporate office and affiliated facilities throughout the Company. It includes a manual for Records Coordinators and a number of online courses. The Records Management Department also conducts regional and webcast training sessions.

**Clinical Ethics** – The Company’s clinical ethics efforts are led by a Clinical Ethicist who prepares and leads several educational modules during the year and coordinates a clinical ethics conference in the fall each year. Also, the Department maintains a Clinical Ethics Manual outlining how each hospital should form and utilize a clinical ethics committee and deal with clinical ethics issues. Finally, the Department maintains a clinical ethics website. The website includes clinical ethics case studies, model clinical ethics policies, archived web casts and archived articles pertaining to timely clinical ethics issues. The website also has an interactive component where users can post questions related to clinical ethics.

**Pastoral Care** – The Department is the point of contact in the Company for issues that pertain to overall policy on pastoral care. The Department performs this role primarily by facilitating opportunities for chaplains in Company hospitals to meet with one another at professional association events. The Department has created a “Pastoral Care Network” distribution list within Outlook to allow facility-employed chaplains to freely communicate ideas, challenges, and advice with each other. The Department also makes available a booklet and videotape for hospital use to provide background information about pastoral care in hospitals. The Department engaged The Healthcare Chaplaincy, an expert advisory group based in New York City, to conduct an assessment of HCA’s Pastoral Care Program. It assessed the program at three hospitals affiliated with HCA and issued comprehensive assessment reports. Those reports were distributed and continue to be available to hospitals so they can use the findings to improve their individual programs. The Department has formed a Pastoral Care Advisory Committee to assist with identifying opportunities for improvement and to assist with planning projects.