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|  | Regulatory Compliance Policy | No. | COMP-RCC 4.21 | |
| | INTERNAL REPORTING OF POTENTIAL COMPLIANCE MATTERS | Title: | Page: | 1 of 6 |
| | | Effective Date: | 05-11-18 | |
| | | Retires Policy Dated: | 12-6-17 | |
| | | Previous Versions Dated: | 2-10-17; 11-30-12; 10-12-11; 06-01-09; 08-01-08; 03-20-07; 01-23-07; 09-13-04; 07-26-04 | |

I. SCOPE:

This policy applies to (1) Tenet Healthcare Corporation and its wholly-owned subsidiaries and affiliates (each, an “Affiliate”); (2) any other entity or organization in which Tenet Healthcare Corporation or an Affiliate owns a direct or indirect equity interest greater than 50%; and (3) any hospital or facility in which an Affiliate either manages or controls the day-to-day operations of the facility (each, a “Tenet Facility”) (collectively, “Tenet”).

II. PURPOSE:

The purpose of this policy is to establish a process to report Potential Compliance Matters, including any potential identified issues or questions associated with Tenet’s Standards of Conduct, Tenet’s policies and procedures, Tenet’s Quality, Compliance and Ethics Program Charter (“Compliance Program Charter”), laws and regulations relating to Federal health care programs, including but not limited to the Anti-kickback statute and Stark law and/or any possible violations of the federal securities laws (including any rules or regulations thereunder). Furthermore, to the extent that there is a potential violation of criminal, civil, or administrative law, it is the intent of this policy to allow matters to be promptly and thoroughly investigated, documented and appropriate corrective actions to be implemented.

III. DEFINITIONS:

- A. **“Compliance Incident Management System (CIMS)”** means the internal system employed to document the investigation process of a Potential Compliance Matter from intake to resolution.
- B. **“Ethics Action Line (EAL)”** means Tenet’s compliance hotline available to Colleagues and other stakeholders to raise Potential Compliance Matters or ask compliance-related questions. Available 24 hours a day, seven days a week. Callers have the option to remain anonymous.
- C. **“Federal health care program”** means any plan or program that provides health benefits, whether directly, through insurance, or otherwise, which is funded directly, in whole or in part, by the United States Government, including, but not limited to: Medicare, Medicaid/MediCal, managed Medicare/Medicaid/MediCal, TriCare/VA/CHAMPUS, SCHIP, Federal Employees Health Benefit Plan, Indian Health Services, Health Services for Peace Corp Volunteers, Railroad Retirement Benefits, Black Lung Program, Services Provided to Federal Prisoners, and Pre-Existing Condition Insurance Plans (PCIP).
- D. **“Lead Investigator”** means a Tenet Colleague who is assigned to conduct and lead an investigation of a Potential Compliance Matter; a Lead Investigator may, for example, be a member of the Tenet Compliance, Human Resources, or Law

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departments, or any other individual with appropriate subject matter expertise to conduct the investigation.

- E. **“Overpayment”** means the amount of money a Tenet Facility has received, after applicable reconciliation, in excess of the amount due and payable under any Federal health care program requirements, including applicable Federal statutes, regulations, Medicare or other Federal health care program payment manuals, and Medicare Administrative Contractor Local Coverage Decisions.
- F. **“Potential Compliance Matter”** means a potential Reportable Event or other evidence or allegations of violations of Tenet’s Standards of Conduct, Tenet’s policies and procedures, the requirements of Tenet’s Compliance Program Charter, or laws and regulations relating to Federal health care programs, including but not limited to federal and state Anti-kickback laws and the federal Stark law and state self-referral laws or the federal securities laws (including any rules or regulations thereunder). For purposes of this policy, Potential Compliance Matters shall include but are not limited to the matters listed on the “Examples of Reportable Potential Compliance Matters” (Attachment A) and any other matter that requires review to ensure adherence to Tenet’s policies and procedures, the laws and regulations relating to federal health care programs, or the requirements of the Compliance Program Charter.
- G. A **“Reportable Event”** may be the result of an isolated event or series of events that involves:
1. A violation of the obligation to provide items or services of a quality that meets professionally recognized standards of health care where such violation has occurred in one or more instances and presents an imminent danger to the health, safety or well-being of a federal health care program beneficiary or places the beneficiary unnecessarily in high-risk situations;
 2. Overpayments of \$100,000 or more;
 3. Evidence or allegations of actual or potential violations of the federal or state Anti-Kickback laws, the federal Stark Law, the state self-referral laws, or other criminal, civil or administrative laws applicable to any Federal health care program for which penalties or exclusion may be authorized;
 4. Violation of other federal or state laws or regulations for which significant penalties may be assessed or which may subject the Tenet entity to significant litigation risk (*e.g.*, consumer protection laws, securities laws, environmental protection laws, etc.);

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5. Notice of a government investigation or inquiry involving federal health care programs or litigation alleging fraud involving federal healthcare programs;
6. Violation of the provisions of the Non-Prosecution Agreement entered into on September 30, 2016, between Tenet Health System Medical, Inc., the Criminal Division of the U.S. Department of Justice and the U.S. Attorney's Office for the Northern District of Georgia;
7. Material violation of Tenet policies;
8. Violation of Centers for Medicare and Medicaid (CMS) Conditions of Participation, Joint Commission standards, or other licensing or accreditation standards;
9. Significant findings identified by Tenet audits or any review conducted by third parties engaged by any Tenet entity; or
10. Any other event likely to cause significant reputational or financial harm to any Tenet entity.

IV. POLICY:

- A. All Tenet Colleagues are expected to report Potential Compliance Matters **immediately** upon discovery or notification of the same. Except for notices of government investigation described above, reports can be made to an immediate supervisor, department director, Hospital or Facility Compliance Officer (CO) or assigned Regulatory or Operations Counsel, Tenet's Chief Compliance Officer, or designee, or the Ethics Action Line (EAL). If reports are made to a supervisor or department director, that individual is expected to immediately escalate the report to, as appropriate, the CO or Chief Compliance Officer. Notices of government investigations shall be made directly to Tenet's Vice President and Assistant General Counsel for Government Litigation with a copy to the facility's CO.
- B. Upon receipt of a report of a Potential Compliance Matter, the Ethics and Compliance Department shall:
 1. Make a preliminary, good faith inquiry into the allegations to ensure all of the information necessary is available to determine whether an investigation should commence; and
 2. Should it be determined that an investigation commence, conduct a preliminary assessment of the nature of the allegations and information available to determine the most suitable Lead Investigator.

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- C. All Tenet Colleagues have the right to report a Potential Compliance Matter and shall not face retribution or retaliation for reporting. Any Tenet Colleague who engages in retaliation will be disciplined. (See Human Resources policy HR.ERW.08 No Retaliation.) In addition, to the extent possible and allowed by law, the anonymity of the Tenet Colleague reporting the Potential Compliance Matter will be protected if the Tenet Colleague so requests.
- D. At the facility level, except for notices of government investigation described above, the CO is designated as the preferred internal contact for the reporting of Potential Compliance Matters relating to that facility subject to the rights of Tenet Colleagues to report such Matters to the EAL. Supervisors or department directors who become aware of a Potential Compliance Matter should report it to the CO **immediately** when a Matter is identified. The CO will then designate the appropriate Lead Investigator based on the nature of the allegations. It is the responsibility of the Tenet Facility’s A-team and CO to ensure adherence to this policy.
- E. At the corporate headquarters level, the Chief Compliance Officer is the preferred internal contact for the reporting of Potential Compliance Matters relating to the company subject to the rights of employees to report such Matters to the Ethics Action Line. The Chief Compliance Officer will then designate the Lead Investigator based on the nature of the allegations. Supervisors or department directors who become aware of a Potential Compliance Matter at the corporate headquarters level should report it to the Chief Compliance Officer **immediately** when a Matter is identified.

V. PROCEDURE:

A. Identification and Reporting of Potential Compliance Matters

Attachment A is a list of **examples** of Potential Compliance Matters. This list is illustrative, not exhaustive. Any question regarding the identification of a Potential Compliance Matter should be directed to the CO or Chief Compliance Officer or designee, or EAL, as appropriate. While all Tenet Colleagues are expected to disclose any Potential Compliance Matters of which they become aware in the manner discussed above, the CO is also expected to query facility managers and other appropriate personnel on a routine basis to identify any Potential Compliance Matters. Potential Compliance Matters may be reported via any of the following methods:

- 1. While making a report of a Potential Compliance Matter to the CO or the EAL is the preferred method, matters may also be reported to immediate supervisors, department directors, administrative team members, or the Chief Compliance Officer or designee.

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2. Tenet conducts compliance-related audits on a special and routine basis, and an individual may report Potential Compliance Matters to these auditors. Auditors who receive reports of Potential Compliance Matters are expected to ensure that these reports are forwarded on to the Ethics and Compliance Department for immediate follow-up and resolution.

3. Tenet Colleagues may report matters via the EAL as follows:
 - a. The EAL (1-800-8-ETHICS or 1-800-838-4427), is a toll free telephone line available 24 hours a day to Tenet Colleagues to report any Potential Compliance Matters or may seek information about the application or interpretation of Tenet’s policies and procedures, Tenet’s Standards of Conduct, or applicable laws and regulations.

 - b. Callers may choose to remain anonymous (to the extent possible and allowed by law) and the Matters discussed will be handled in a confidential manner.

 - c. Tenet Colleagues are encouraged to use the resources available in their organization (*e.g.*, CO, manager, or chain of command), to resolve problems prior to calling the EAL, but should not be discouraged from calling the EAL.

 - d. Potential Compliance Matters reported to the EAL will be reviewed to identify the compliance-related matters and to determine the authenticity and credibility of the information provided by the person(s) making the report.

 - e. Matters reported to the EAL that are related to Potential Compliance Matters shall be immediately reported (unless they relate to potential violations of the federal securities laws) by the individual assigned to manage the EAL report to the responsible CO. The CO shall initiate the appropriate investigation and corrective action or refer the matter to Tenet legal counsel to initiate the appropriate investigation and corrective action as appropriate and necessary. If the Potential Compliance Matter relates to a possible violation of the federal securities laws, the individual assigned to manage the EAL report shall also report the matter immediately to the Chief Compliance Officer, the Deputy General Counsel and the Vice President, Audit Services.

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B. Action on Compliance Matters

The Lead Investigator is responsible for ensuring that an incident report is opened in the CIMS for each reported Potential Compliance Matter and that the Potential Compliance Matter is fully investigated, if in their professional judgment, the Potential Compliance Matter implicates one of the eight areas of compliance as set forth in the Compliance Program Charter (an identification number for tracking purposes is automatically assigned by the CIMS). The Lead Investigator will ensure that the responsibility for corrective action is assigned as appropriate and corrective action is taken as appropriate and necessary.

The appropriate Lead Investigator is responsible for promptly reporting any Potential Compliance Matter that may be a Reportable Event to the Chief Compliance Officer per the Monthly Compliance Report requirement set forth in the Compliance Program Charter. The Chief Compliance Officer shall be responsible for determining if a Potential Compliance Matter requires further escalation to Tenet Senior Management and/or the Quality, Compliance and Ethics Committee of Tenet’s Board of Directors.

Refunding of Overpayments shall occur in accordance with COMP-RCC 4.35 Reporting of Overpayments to Federal Health Care Programs.

If a Potential Compliance Matter is reported directly to the Chief Compliance Officer, the Chief Compliance Officer (or designee) will ensure that each reported Potential Compliance Matter is recorded in the CIMS and investigated (an identification number is automatically assigned by the CIMS for tracking purposes). The Lead Investigator will ensure that the responsibility for corrective action will be assigned as appropriate and corrective action taken as appropriate and necessary.

C. Closure of Compliance Matters

Before a Potential Compliance Matter may be considered resolved, the applicable Lead Investigator, must document the investigation and resolution of the matter in the CIMS. Documentation must include evidence of refunds, corrective action plans, legal counsel review, as appropriate, and evidence that the matter has been fully investigated and resolved.

Investigations led by the Compliance Department should be completed within 120 days.

Investigations led by in-house or outside counsel should be completed within 180 days. If the investigation will not be completed within 180 days, counsel must request a 60-day extension from the Chief Compliance Officer and only for a legitimate investigative need. Cases involving ongoing litigation, government-facing investigations (e.g. civil investigative demands, subpoenas or matters

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reported to the Department of Justice pursuant to Paragraph 5(e) of the Non-Prosecution Agreement), and requests from the Department of Justice or other governmental entities to suspend an investigation, would be exempt from these time constraints.

D. Enforcement

All employees whose responsibilities are affected by this policy are expected to be familiar with the basic procedures and responsibilities created by this policy. Failure to comply with this policy will be subject to appropriate performance management pursuant to all applicable policies and procedures, up to and including termination. Such performance management may also include modification of compensation, including any merit or discretionary compensation awards, as allowed by applicable law.

VI. REFERENCES:

- COMP-RCC 4.35 Reporting of Overpayments to Federal Health Care Programs
- Human Resources policy HR.ERW.08 No Retaliation
- Human Resources policy HR.ERW.15 Ethics and Compliance Training
- Quality, Compliance and Ethics Program Charter
- OIG's Compliance Program Guidance for Hospitals (63 FR 8987; February 23, 1998)
- OIG's Supplemental Compliance Program Guidance for Hospitals (70 FR 4858; January 27, 2005)
- Sec. 21F of the Securities Exchange Act of 1934 and Rule 21F of the General Rules and Regulations enacted thereunder by the Securities and Exchange Commission
- Non-Prosecution Agreement
- L-24 Non-Prosecution Agreement Compliance

Examples of Potential Reportable Compliance Matters

Is Documented, Charged and Billed Correctly

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| <p><i>Inappropriate coding</i> <i>Inappropriate claims submission</i> <i>False or fraudulent documentation matters</i></p> | <p><i>Inappropriate charging/billing</i> <i>Inappropriate charge code selection/charge master</i> <i>Concerns raised by Medicare Administrative Contractor</i></p> |
|--|--|

| Is Provided in an Approved Facility | Promotes Patient Rights | Is Reimbursed Correctly |
|---|---|---|
| <p><i>Accreditation matters</i> <i>Provider Based status</i></p> | <p><i>HIPAA or Patient Privacy matters</i> <i>EMTALA matters</i></p> | <p><i>Overpayments</i> <i>Cost reporting matters</i></p> |

Is Provided Without Financial Incentives

Physician Arrangement matters, such as potential violations of the Stark law or Anti-kickback statute
Potential failure to meet Business Operations standards (Accounting, Sarbanes-Oxley, etc.)
Patient Inducement

| Is Medically Necessary | Is Provided by Qualified Physicians/Staff |
|---|--|
| <p><i>Medical necessity matters</i> <i>Correct level of care</i> <i>Failure to utilize Tenet-required compliance software (e.g., CARDS, Order Checker, MASS, INTERQUAL, etc.)</i></p> | <p><i>Medical Staff Credentialing and Privileging</i> <i>Appropriate licensed staff</i></p> |

Meets Quality Standards

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|---------------------------------------|------------------------------|
| <p><i>Quality of care matters</i></p> | <p><i>Drug diversion</i></p> |
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Note: This list contains examples of high-level categories of potential reportable compliance matters and is by no means exhaustive. If you have any questions regarding whether a matter is reportable, please contact your Compliance Officer or the Ethics and Compliance Department.