

	Human Resource Policy Employee Relations & Workplace Expectations	No. HR.ERW.14
	Title: CORRECTIVE, REMEDIAL AND DISCIPLINARY ACTION FOR VIOLATION OF COMPLIANCE STANDARDS	Page: 1 of 5
		Effective Date: 05-11-18
		Retires Policy Dated: 09-27-11
		Previous Versions Dated: 10-01-09; 06-15-04

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 entity in which Tenet Healthcare Corporation or an Affiliate either manages or controls the day-to-day operations of the entity (each, a “Tenet Entity”) (collectively, “Tenet”).

II. PURPOSE:

The purposes of this policy are to provide notification and establish a consistent procedure to be followed in circumstances where corrective, remedial, or disciplinary action is appropriate to address an employee or contractor’s failure to comply with Tenet’s Standards of Conduct, Tenet’s policies and procedures and applicable laws and regulations relating to federal and state health care programs, including but not limited to the Anti-kickback statute and Stark law (collectively, “Compliance Standards”).

III. POLICY:

Tenet’s Compliance Program seeks to assure compliance with applicable federal and state laws and regulations, The Joint Commission (TJC) standards, Tenet’s policies and procedures and Tenet’s Standards of Conduct. Violations (e.g., including but not limited to, breach of HIPAA, EMTALA or Regulatory Compliance Policies) of any applicable component of Compliance Standards will result in appropriate remedial and/or disciplinary action, which may be immediate including but not limited to:

- A. verbal warnings up to and including termination for any employee, regardless of his or her job classification;
- B. contractual and other remedies up to and including termination of contract for any contractor; or
- C. disciplinary action for employed or contracted physicians as appropriate pursuant to the hospital Medical Staff Bylaws.

IV. PROCEDURE:

- A. Reporting a Violation

An employee who becomes aware of information regarding any violation by an employee or contractor of any component of the Compliance Standards shall report the violation in accordance with Regulatory Compliance policy COMP-RCC 4.21

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Internal Reporting of Potential Compliance Issues.

B. No Retaliation

Employees of Tenet shall not intimidate, threaten, coerce, discriminate against, or take other retaliatory action against any employee or other individuals who report, in good faith, any potential or actual violation of the Compliance Program or participate in a related audit or investigation. (See Human Resource policy HR.ERW.08 No Retaliation).

C. Plan of Corrective Action

1. Any ongoing activity or practice which violates Compliance Standards:
 - a. the activity or practice shall cease immediately; and
 - b. Tenet’s Ethics and Compliance Department shall be notified by the Hospital Compliance Officer (HCO) or Human Resources Department of any violation of any component of the Compliance Standards and the appropriate disciplinary action taken.
2. The HCO in coordination with appropriate departments shall develop and implement a plan as soon as reasonably practicable to mitigate any known or reasonably anticipated adverse effects from illegal or improper activity. Such plan will be promptly communicated to all affected employees as appropriate.

D. Corrective, Remedial, or Disciplinary Action

1. After conducting an investigation into the purported violation, a determination of the appropriate corrective, remedial or disciplinary action will be made based on the specific facts and circumstances of each case. Corrective, remedial or disciplinary action under this policy shall also follow:
 - a. Other Human Resources policies, including the Human Resource policy HR.ERW.12 Employee Performance Management, provide guidance for the disciplinary action process for Tenet employees.
 - b. The Medical Staff Bylaws, as appropriate, for the disciplinary action process for employed and/or contracted physicians.
 - c. The agreements governing contractors, and their respective breach provisions, which should be reviewed and considered to determine appropriate contract action.

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2. Performance management, training and/or disciplinary action up to and including termination will be taken on a fair and equitable basis. The Supervisor in consultation with Human Resources Department is responsible for ensuring that Tenet’s disciplinary and remedial policies are enforced consistently for all employees involved in or responsible for a violation.

3. **Disciplinary action for compliance-related events.**

The company will have discretion, depending on the severity of the event, whether the conduct was intentional or unintentional, and if any prior discipline exists, to implement any level of discipline up to and including termination for a first offense*. Irrespective of the discipline issued, all compliance-related events will be documented in the employee file.

a. Recommended disciplinary guidelines:

The following guidelines are recommended for consideration which are intended as guidance and not mandatory. A decision as to the discipline in any matter will depend on the specific facts and circumstances involved.

(1) If the investigated event has a determined substantiated outcome and there was no violation of law or policy, the disciplinary approach for the employee may include verbal coaching, education and/or training.

(2) If the investigated event has a determined substantiated outcome and there was an unintentional violation of policy, the disciplinary approach for the employee may include verbal counseling, written warning, and modifier of the merit increase and/or Annual Incentive Program (AIP) bonus amount. Even in the event the violation was unintentional, the severity and potential consequence of the violation may warrant a suspension or drive a more severe discipline up to and including termination.

(3) If the investigated event has a determined substantiated outcome and there was an intentional violation of law or policy, the disciplinary approach for the employee would include final written warning, modifier of the merit increase and/or Annual Incentive Program (AIP) bonus amount, suspension and/or termination.

*If an employee is covered by a collective bargaining agreement, this

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process is subject to the discipline, grievance and arbitration provisions of the agreement.

E. Employment Status

This policy is not intended to and does not modify the existing relationship between Tenet and its employees and does not confer any additional rights or recourse to individual employees who may be subject to disciplinary action. Additionally, this policy is not intended to and does not modify the existing relationship between Tenet and its independent contractors.

F. Supporting Documents

Corporate Human Resources may establish supporting documents to implement this policy, including, for example, Job Aids, Protocols, or Procedures.

G. Responsible Person

Each Tenet Entity Chief Human Resource Officer (CHRO) is responsible for assuring that all individuals adhere to the requirements of this policy and its supporting documents, that all applicable procedures and processes are implemented and followed at the Tenet Entity, and that instances of noncompliance with this policy are reported to Tenet HR Operations for review and resolution by the VP, Labor and Employee Relations.

H. Enforcement

All employees whose responsibilities are affected by this policy are expected to be familiar with the basic procedures, protocols, and responsibilities created by this policy and its supporting documents. 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.

V. REFERENCES:

- OIG Compliance Program Guidance for Hospitals, 63 FR 8987 (February 23, 1998)
- Standards of Conduct
- Tenet Quality, Compliance and Ethics Program Charter

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- Human Resource policy HR.ERW.09 Employee Conduct and Work Rules
- Human Resource policy HR.ERW.08 No Retaliation
- Human Resource policy HR.ERW.12 Employee Performance Management
- Information Security policy 4.1.0 – Sanctions Standard
- Patient Privacy policy 1.1.3 – Mitigation and Sanctions Procedure
- Employee Handbooks