



CORPORATE COMPLIANCE PROGRAM **CODE OF ETHICS & BUSINESS CONDUCT**

I. INTRODUCTION

Medical Specialists of the Palm Beaches, Inc. and MSPB MSO, LLC (collectively, “MSPB”) are committed to complying with all applicable laws, rules and regulations that govern or affect its business, and to conducting its business in accordance with the highest ethical business standards. Accordingly, MSPB has implemented this *Corporate Compliance Program / Code of Ethics & Business Conduct* (the “Compliance Program” or the “Code”). The Code is designed to (a) be a guide and resource for officers, directors, physicians, employees and Board members of MSPB; (b) describe the procedures that will be followed in enforcing MSPB’s standards; and (c) set forth responsibilities for each one of us regarding the Compliance Program.

Quick Contact Information

- Compliance Officer: Adam Frankel (561) 649-7000 x4206; afrankel@mspbhealth.com
- Compliance Director: Sarah Staley (561) 649-7000 x4106; sarah.staley@mspbhealth.com
- Compliance Department: (561) 207-2122; compliance@mspbhealth.com

Mission and Values

MSPB will not tolerate unlawful or unethical behavior by anyone associated with our organization, and each one of us is expected to be law-abiding, honest, trustworthy, and fair in all our business dealings.

MSPB is an integrated healthcare delivery system committed to providing comprehensive, high-quality healthcare with respect, care and integrity for our patients and the community. The high standards of ethics and conduct embodied in this Code apply to all the interactions between MSPB and vendors, payors, government entities, insurers and members of the community.

General Standards

Everyone associated with MSPB - Board members, officers, directors, physicians, employees, consultants and contractors - is expected to follow the ethical standards set forth in this Code. No one at MSPB should take an action that is believed to be in violation of any law or the Code. If you are unsure whether an action is lawful you should check with the Chief Legal Officer. When in doubt, contact the Chief Legal Officer before you engage in such action.

II. ELEMENTS OF MSPB’S COMPLIANCE PROGRAM

MSPB, through its Compliance Program, seeks to:

- Create a culture that promotes prevention, detection and resolution of instances of conduct that do not conform to applicable laws, regulations, or any other health care compliance requirements.
- Support MSPB in ensuring that internal controls, policies and procedures are firmly in place so that all facets of business operations are compliant.

Our Compliance Program includes the eight (8) core elements below that are based on the expectations of the federal and state government for effective compliance programs.

ELEMENT #1

Written Policies & Procedures and the Code

Our Compliance Program is, in part, a statement of MSPB's overarching principles and values and defines the framework for compliance policies and procedures. It describes expectations that all officers, directors, physicians, employees and Board members conduct themselves in an ethical manner; that issues of noncompliance and potential illegal conduct are reported through appropriate mechanisms; and those reported issues are promptly addressed and corrected.

The Code is regularly reviewed and updated to incorporate changes in applicable laws and other compliance program requirements. It is approved by the Executive Compliance Committee of MSPB. Upon hire, employees are required to acknowledge receipt of the *Compliance Program / Code of Ethics & Business Conduct* and must agree in writing to abide by its standards.

Policies & Procedures

The Code cannot address every law, regulation and rule that applies to MSPB. MSPB has also adopted several substantive policies and procedures that support our Compliance Program and its operations in general. They are disseminated to all staff as applicable. Some of these policies and procedures are referenced in the Code. Other policies are department specific and can be obtained from the head of the specific department.

Distribution

Upon hire, employees are required to acknowledge receipt of the *Compliance Program / Code of Ethics & Business Conduct* and to agree to abide by its standards.

Updates and Revisions

The compliance policies and procedures are reviewed and updated as necessary to incorporate any relevant changes in applicable laws, regulations and other requirements. Proposed revisions are developed under the direction of the Compliance Officer and presented to the Executive Compliance Committee for review and approval.

ELEMENT #2

High-Level Oversight, Including a Compliance Officer and Compliance Committee

The Compliance Officer / Chief Legal Officer of MSPB is ultimately accountable for oversight of the Compliance Program and conducts that oversight through the Executive Compliance Committee and the Compliance Officer.

Compliance Officer

The MSPB Compliance Officer has the responsibility to implement the required elements of the Compliance Program and oversee the day-to-day operations of the program. The Compliance Officer is responsible for ensuring that processes are in place to monitor and oversee activities by key business units; compliance issues are properly addressed as they arise; and that appropriate compliance assurance reviews and inquiries are conducted.

The Compliance Officer makes reports to the Executive Compliance Committee and MSPB Leadership regarding significant operational compliance issues and updates on the implementation of the elements of the Compliance Program.

Executive Compliance Committee

MSPB's Executive Compliance Committee is comprised primarily of senior management. This committee meets on at least a quarterly basis and has overall responsibility for the continued improvement of the performance of the Compliance Program. The Executive Compliance Committee, among other things, ensures that necessary policies and procedures and compliance education are in place.

The Executive Compliance Committee monitors the effectiveness of the Compliance Program; recommends improvements as necessary or appropriate; and reviews significant compliance risk areas and the steps management has taken to monitor, control, and limit such compliance risk exposure.

ELEMENT #3

Training and Education

The Compliance Officer, working with MSPB's Human Resources department, develops and oversees compliance training and education for MSPB. The Human Resources department is responsible for ensuring that assigned compliance education is completed by officers, directors, physicians, employees and Board members.

- **Regular Training**

All officers, directors, physicians, employees and Board members are required to complete training on Corporate Compliance and HIPAA Privacy and Security. MSPB is responsible for the cost of compliance training. New hires are required to complete compliance training within ninety (90) days from the date hire. The following courses are required:

- Fraud, Waste & Abuse (annually)
- HIPAA Privacy (every two years)
- OSHA Bloodborne Pathogens (annually)

- **Specific Education**

Employees in identified risk areas may also receive compliance education specific to their functions and as warranted by the implementation of new operational processes or corrective actions. Education may be in person, through audio/web conferences, or in writing on various topics.

The Compliance Officer can provide issue-specific education. Human Resources maintains the records of the required trainings.

ELEMENT #4

Effective Lines of Communication

If you have a compliance issue or question, you should contact the Compliance Officer or Compliance Director. Your failure to timely report a compliance issue may result in disciplinary action against you.

How to Report a Compliance Concern

- **Reporting Methods**

Please report instances of non-compliance as follows:

- Compliance Officer - Adam Frankel; 561-966-7706; adam.frankel@mspbhealth.com
- Compliance Director - Sarah Staley; 561-649-7000 x4106; sarah.staley@mspbhealth.com
- General Compliance: 561-207-2122; compliance@mspbhealth.com

- **Confidentiality**

All employee concerns are handled and investigated in a confidential manner, and confidentiality will be preserved to the extent allowed by the circumstances and under applicable law.

- **Non-Retaliation and Anonymous Reporting**

Reports can be made in good faith without fear of retribution or adverse consequences. As detailed in MSPB's *Deficit Reduction Act, Whistleblower Protection and Non-Retaliation Policy*, any form of retaliation against any employee who makes a report in good faith or otherwise participates in the Compliance Program is strictly prohibited. Retaliation of any sort will result in disciplinary action up to and including termination of employment for the individual who engages in retaliation.

ELEMENT #5

Well-Publicized Disciplinary Standards

MSPB's policies and procedures include guidance regarding disciplinary action for those who have failed to comply with our policies and procedures, this *Code of Ethics and Business Conduct*, or federal and state laws. Any individual who fails to participate in the Compliance Program as required, including engaging in or failing to report noncompliance or violations of this Code or policies and procedures, is subject to disciplinary action, up to and including termination of employment.

- **Enforcement**

MSPB encourages the highest standards of ethical conduct. When suspected non-compliance is determined to exist, the Compliance Officer is required to ensure an investigation is performed and determine whether a violation of law or policy has occurred. If an investigation reveals that a violation has occurred, the Compliance Officer will provide recommendations to correct the violation and may recommend disciplinary action and education/training to prevent recurrence of the issue. It is the responsibility of MSPB management to implement corrective actions for any identified noncompliance.

- **Disciplinary Records**

If disciplinary action is initiated, MSPB management works with Human Resources to make sure that the disciplinary action is reflected in the employee's personnel file. Management works with the Compliance Officer to document investigations related to non-compliance. Documentation of disciplinary action serves as proof of the effectiveness of the Compliance Program by demonstrating that compliance is taken seriously within MSPB.

ELEMENT #6

Effective System for Routine Monitoring, Auditing and Identification of Compliance Risks

Auditing, monitoring and self-assessments assist organizations in identifying and acting on real or potential issues before they become liabilities. To prevent and detect non-compliance, MSPB conducts monitoring of key systems and processes.

- **Compliance Monitoring**

Monitoring involves daily, weekly, or other periodic spot checks to verify that essential functions are being adequately performed and that processes are working effectively. Individuals may be required to report the results of their monitoring effort to the Compliance Officer, Compliance Director and/or the Executive Compliance Committee. An example of such monitoring might be the Compliance Director checking to see that exclusion checks are being performed upon hire and monthly thereafter.

- **Compliance Audits**

Compliance audits are conducted in a systematic and structured approach. The process involves identifying a risk area; researching applicable regulatory guidelines; determining the key objectives; detailing the scope and methodology to be utilized; selecting a sample; and producing a written report of findings, recommendations and management responses to those findings and recommendations. An example of a compliance audit would be where the Executive Compliance Committee requires the human resources department to pull 20% of new hire files to ensure 100% contain I-9 documentation.

- **Compliance Work Plan**

The Compliance Officer, in conjunction with members of MSPB management, assesses the risks of the business on a continuous basis. Annually, the Compliance Officer compiles a Compliance Work Plan that is reviewed and signed off on by the Executive Compliance Committee. The Compliance Work Plan identifies specific risk areas that are to be reviewed during the upcoming year. Throughout the year, the Compliance Officer reports progress on these reviews to the Executive Compliance Committee.

- **Sanctions Screening**

MSPB will not hire, contract or retain any employee or vendor to perform services if that employee or company is excluded from participation in any federal or state-funded healthcare program. In accordance with MSPB *Exclusion Check Policy*, all employees and vendors are checked on a monthly basis against applicable exclusion lists.

ELEMENT #7

Procedures and System for Prompt Response to Noncompliance

Any noncompliance threatens MSPB's reputation as reliable, honest, and trustworthy. MSPB is committed to correcting any identified noncompliance and implementing necessary steps to prevent its recurrence.

- **Investigating Compliance Issues**

Upon notice of possible noncompliance, the Compliance Officer will promptly initiate an investigation into the issue to determine whether a compliance issue exists, or if there has been a violation of the Code, policies and procedures or applicable laws. If a compliance issue or violation does exist, then the investigation will attempt to determine its cause so that appropriate and effective corrective action can be implemented.

- **Corrective Action Plans**

If noncompliance is identified, the non-compliant activity will be stopped as soon as feasible. An investigation into the extent and underlying cause of the noncompliance will be conducted to examine, among other issues:

- existing workflows and processes;
- relevant policies and procedures;
- training and education of staff involved; and
- the effectiveness of monitoring systems, if any.

When all the relevant facts have been determined, a corrective action plan ("CAP") to correct and prevent the recurrence of the noncompliance will be developed and implemented. The CAP will include detailed steps to be taken and a timeline for implementation of those steps.

ELEMENT #8

Policy of Non-Intimidation and Non-Retaliation

MSPB's ***Deficit Reduction Act, Whistleblower Protection and Non-Retaliation Policy*** provides that anyone who makes a report, complaint, or inquiry in good faith, will be protected from retaliatory action. We have a no-tolerance policy for intimidation of, or retaliation taken against, individuals making such good faith reports, complaints or inquiries, and will take disciplinary action against individuals who have intimidated or retaliated against such individuals.

III. COMPLIANCE EXPECTATIONS

MSPB expects all officers, directors, physicians, employees and Board members to ensure compliance in all areas of MSPB, including:

Financial Accounting Records: Integrity and Accuracy

All financial reports, accounting records, expense accounts and other financial documents must accurately represent the performance of MSPB.

Gifts, Payments, Loans and Entertainment

MSPB's ***Policy Addressing Gifts and Kickbacks*** strictly prohibits the solicitation of gifts, gratuities, favors or kickbacks by an officer, director, physician, employee or Board member. No individual will make or offer to make any payment or provide any other thing of value to another person with the understanding or intention that such payment is to be used to influence business decisions or the referral of patients to or from MSPB.

Similarly, gifts cannot be received for the purpose of influencing the business behavior of the recipient. Cash or cash-equivalent gifts are strictly prohibited. Non-cash gifts made to MSPB officers, directors, physicians, employees or Board members from individuals who seek to influence patient referrals by MSPB are also strictly prohibited. Gifts of even nominal value may not be offered to any governmental official. Such gifts can be misinterpreted as an attempt to improperly influence the official and must be avoided. Any questions regarding whether an item or situation falls within the scope of this section must be raised immediately with the Compliance Officer.

Billing & Coding

MSPB will ensure the appropriate submission of claims for reimbursement of medical services. The following are risk areas that should never be permitted or assisted:

- Billing for items or services not rendered or not provided as claimed;
- Submitting claims for supplies and services that are not medically necessary;
- Double billing;
- Billing for non-covered services as if such services are covered;
- Knowing misuse of provider identification numbers, which results in improper billing;
- Unbundling (billing for each component of the service instead of billing or using an all-inclusive code);
- Failure to properly use coding modifiers;
- Failure to correctly identify services ordered;
- Billing by non-credentialed providers;
- Failing to re-pay overpayments;

- Inappropriately retaining credit balances;
- Upcoding the level of service provided.

General Business Practices

MSPB will not make any unethical or illegal payments to anyone to induce the use of its services. In addition, MSPB management must ensure that all MSPB's business records are accurate and truthful, with no material omissions; that the assets and liabilities of MSPB are accounted for properly in compliance with all tax and financial reporting requirements, and that no false records are made. Similarly, all reports submitted to governmental agencies, auditors, insurance carriers, or other entities must be accurately and honestly made.

If you become aware of any improper use of, or accounting practice concerning MSPB's resources, you should report the matter immediately to the Chief Legal Officer.

Purchasing Policy

All purchasing decisions must be made with the purpose of obtaining the highest quality product or service at the most reasonable price. No purchasing decision may be made based on any consideration that any officer, director, physician, employee or Board member - or any family member or friend of any of them – will benefit by the transaction. Rather, the sole criteria behind all purchasing decisions must be only the best interest of MSPB. Nor can any service or item be purchased in return for a referral of patients from another or with a view towards inducing another to refer patients. MSPB has adopted a **Conflict of Interest Policy** that must be adhered to by all officers, directors, physicians, employees and Board members.

Trade Practices/Antitrust

Antitrust laws are designed to preserve and foster fair and honest competition for businesses. To accomplish this goal, the language of these laws is deliberately broad, prohibiting such activities as “unfair methods of competition” and agreements “in restraint of trade.” This type of language gives enforcement agencies the right to examine many different business activities to judge the effect on competition.

MSPB's **Antitrust Compliance Policy** requires full compliance with all antitrust laws. The greatest danger for violations of antitrust laws rests in contacts with competitors. Antitrust laws make illegal any agreement that restricts competition or interferes with the ability of the free-market system to function properly. You should not have any discussions, conversations or other communications with competitors about pricing, payor rates, salaries and compensation; the division of geographic areas, or services; the circumstances under which business will be conducted with suppliers, insurance companies, patients or customers; or marketing efforts. Further, you should avoid discussions with competitors regarding the future business plans of MSPB.

Compliance with Anti-Kickback Laws

Both federal and state laws specifically prohibit any form of kickback, bribe or rebate made directly or indirectly, overtly or covertly, in cash or in kind to induce the purchase, recommendation to purchase or referral of any kind of healthcare goods, services or items paid for by Medicare or the Medicaid program. The term “kickback” means the giving of anything of value in exchange for patient referrals. Any question concerning these laws or any business arrangement subject to anti-kickback or anti-referral laws should be directed to the Compliance Officer.

To list everything that may constitute an improper inducement or improper remuneration under the anti-kickback laws would not be possible. However, MSPB's **Policy Addressing Gifts and Kickbacks** states that MSPB must

scrupulously avoid being either the offeror or the recipient of an improper inducement. Care must be taken in structuring relationships with persons not employed by MSPB so as not to create a situation where MSPB appears to be offering an improper payment to those who may be in a position to refer or influence the referral of patients. For example, the offering of free goods or services, or those priced below market value, to physicians for the purpose of influencing them to refer patients to, or utilize the professional services offered by, MSPB would be improper.

MSPB also should not receive any improper inducement from its vendors to influence it in making decisions regarding the use of particular products or the referral or recommendation of patients to other providers of goods and services. For example, free or at below-market value goods or services from vendors, awards, discounts, prizes or other forms of remuneration may be treated as a “kickback” even if given as part of a promotional program of a vendor or provider, e.g., pharmaceutical company, medical equipment supplier, etc.

The laws also prohibit health care providers from providing gifts and other inducements to patients. Any patient gift programs must be vetted through the Compliance Officer.

HIPAA and Other Confidential or Protected Information

Under the Health Insurance Portability and Accountability Act (“HIPAA”), MSPB MSO, LLC is designated as a “Business Associate” of Medical Specialists of the Palm Beaches, Inc. As a Business Associate, MSPB MSO must abide by HIPAA in safeguarding the protected health information (“PHI”). The HIPAA Security Rule specifies a series of administrative, physical, and technical safeguards for MSPB to assure the confidentiality, integrity, and availability of electronic protected health information. All MSPB staff must familiarize themselves with MSPB HIPAA policies, including the following:

- **Minimum Necessary Policy**
- **Policy on Disclosures to Law Enforcement**
- **HIPAA Privacy and Security Policy**
- **Breach Notification Policy**
- **Portable Device Policy**

Confidential information acquired by personnel about the business of MSPB must be held in strict confidence and may not be used as a basis for personal gain by the personnel, their families, or others. Information relating to transactions pending with MSPB is not to be released to any person unless this information has been published or otherwise made generally available to the public.

Information Owned by Others

Like MSPB, other organizations have intellectual property they want to protect; so do individuals. These other parties are sometimes willing to disclose their confidential information for a particular purpose. If you receive another party’s confidential information, you must proceed with caution to prevent any accusations that you or MSPB misappropriated or misused the information. All Non-Disclosure agreements (NDAs) should be vetted with the Chief Legal Officer before execution.

Special care should be taken in acquiring software from others. As intellectual property, software is protected by copyright laws and may also be protected by patent, trade secret laws or as confidential information. Such software includes computer programs, databases and related documentation owned by the party with whom you are dealing or by another party. Before you accept software or sign a license agreement, you should request a review of the agreement by the Chief Legal Officer.

Records Retention/Destruction

MSPB is required by law to maintain certain types of business records, usually for a specified period of time. Failure to retain such documents for such minimum period could subject our businesses to penalties and fines.

You are expected to comply fully with MSPB **Document Retention/Destruction Policy** and records retention and destruction schedule for the department in which you work.

Government Investigations, Inquiries or Requests for Information

All dealings with governmental agencies must be truthful and accurate. If you are made aware of any type of governmental investigation or request for information, you must immediately contact the Compliance Officer.

Having a government agent come to a business location can be intimidating. The following are useful tips:

- If a governmental agent comes to MSPB's corporate offices and seeks information, you should contact MSPB's Chief Legal Officer immediately.
- Do not consent to a search or review. Unless the governmental agent has a Warrant, that agent may not enter the site or review documentation.
- Do not provide written or oral statements to the agent.
- Make photocopies of the agent's business cards and send to the Compliance Officer, immediately.
- Any employee who receives an official governmental request for information must notify the Chief Legal Officer and Compliance Officer immediately.

It is MSPB's policy to comply with the law and to cooperate with reasonable demands made during a governmental investigation or inquiry.

Human Resources

MSPB recognizes that its greatest strength lies in the talent and ability of its employees. Accordingly, MSPB has developed and implemented specific human resources policies and an **Employee Handbook**. All staff must review and sign an acknowledgement to be bound by the Employee Handbook.

IV. CONFLICTS OF INTEREST

MSPB recognizes that officers, directors, physicians, employees, Board members and others associated with MSPB have varied professional, financial and personal interests. We expect that these interests and commitments will be managed in a manner that does not harm MSPB's operations or reputation, in accordance with the **Conflicts of Interest Policy**.

A conflict of interest may exist in a variety of situations, including whenever an individual has an opportunity to use his or her position for personal gain or the gain of a family member or a friend; or when a person or group not associated with MSPB might influence the work decisions of employees. A conflict of commitment exists when outside consulting or other relationships keep an individual from devoting appropriate amounts of time, energy, creativity or other personal resources to his or her MSPB responsibilities.

All potential conflicts of interest, as well as matters that cause a perceived conflict of interest, must be reported and vetted in accordance with MSPB **Conflicts of Interest Policy**.