

I. EXECUTIVE VICE PRESIDENT FOR HEALTH AFFAIRS' POLICY STATEMENT

UK HealthCare (UKHC) and its affiliated clinics and health care facilities requires all employees, agents and medical staff members (collectively, “UKHC Employees”) to act, at all times, in an ethical and legal manner, consistent with all applicable legal, governmental, and professional standards and requirements. For all purposes of the Corporate Compliance Program (“CCP”), UK HealthCare is defined as all health care delivery and clinical enterprises, including but not limited to the College of Medicine, College of Dentistry, College of Nursing, College of Pharmacy, College of Health Sciences, University of Kentucky Chandler Hospital, Good Samaritan Hospital, Kentucky Clinics, Centers for Rural Health, Sanders Brown Center on Aging, Markey Cancer Center, and the Gill Heart Institute. In order to avoid even the appearance of impropriety or conflict of interest, this CCP applies to all faculty, staff, and students within UKHC, without regard to an individual's specific job duties or function. It is the policy of UKHC that all services and business transactions rendered by UKHC shall be carried out and documented in accordance with federal, state, and local laws, regulations, and interpretations.

This Corporate Compliance Program is intended to enhance and further demonstrate UKHC's commitment to honest and fair dealing by providing an effective means by which to prevent and detect illegal, unethical conduct or abusive conduct. The CCP: (1) sets forth operating protocol and standards of conduct; (2) designates oversight responsibilities; (3) provides for employee compliance training; (4) implements monitoring, auditing, enforcement and disciplinary procedures; and (5) establishes response and prevention plans. UKHC will exercise due diligence in its efforts to ensure that the CCP is effective in its design, implementation and enforcement.

UKHC employees are expected to deal fairly and honestly with patients and their families, suppliers, third-party payors, and their professional associates. Adherence to the CCP is a condition of employment at UKHC. Likewise, the granting of medical staff privileges and the offer of employment at UKHC is contingent upon acceptance of and compliance with the CCP.

The Corporate Compliance Manual (“Manual”), among other things, sets out the CCP’s Purposes and Objectives, Standards of Conduct and Standard Operating Policies and Procedures. The CCP described in this Manual has been designed to establish a framework for legal and ethical compliance by UKHC employees. These standards are not intended to be exhaustive, thus conduct not specifically addressed in the CCP should be judged in light of the overall theme and intent of the CCP. The CCP is not intended to replace all of the substantive programs and practices of the UKHC which are designed to achieve compliance. Rather, the purpose of the CCP is to provide UKHC with a codified program that provides for an effective means of detecting ongoing non-compliant conduct and to reduce the prospect of such conduct in the future. The University of Kentucky and UK HealthCare already operate under many policies and procedures that have been developed to maintain compliance with applicable laws as well as with professional, academic, and business ethical standards. These policies and procedures will continue to be part of UKHC’s overall compliance effort. Accordingly, regardless of whether they are specifically cited in the text of the Program, all relevant UK Governing and Administrative Regulations, Medical Staff Bylaws, College of Dentistry policies, Human Resources policies and UK Hospital and Clinic policies are hereby incorporated into the CCP.

Statutes, regulations, and policies cited in the CCP do not replace or alter the wording of their original text. Rather, the selected text is designed to give the reader an idea of the spirit and intent of the referenced provisions.

II. PURPOSES AND OBJECTIVES

The purposes and objectives of the CCP are to:

- (1) establish standards and procedures to be followed by **all UK HealthCare** employees to effect compliance with applicable federal, state and local laws, regulations and ordinances, as well as UK Governing and Administrative Regulations, Medical Staff Bylaws, College of Dentistry policies, Human Resources policies, and UK Hospital and Clinic policies;
- (2) designate the UKHC official responsible for directing the effort to enhance compliance including implementation of the CCP;
- (3) document compliance efforts;
- (4) ensure Discretionary Authority is given to appropriate persons;
- (5) provide a means for communicating to all UKHC employees the legal and ethical standards and procedures all UKHC employees are expected to follow;
- (6) establish minimum standards for billing and collection activities, including a system of monitoring and oversight of billing activity to ensure adherence to the standards and procedures established;
- (7) provide a means for reporting apparent illegal or unethical activity to the appropriate authorities;
- (8) provide for the enforcement of the ethical and legal standards;
- (9) provide a mechanism to investigate any alleged violations and to prevent violations in the future;
- (10) increase training of medical staff members and billing personnel concerning applicable billing requirements and UKHC's policies; and
- (11) provide for regular review of overall compliance efforts to ensure that practices reflect current requirements and that other adjustments are made to improve the CCP.