



# Simple Guide To Updating Your Code Of Conduct

WRITTEN BY CJ WOLF

# Simple Guide To Updating Your Code Of Conduct

## A CODE OF CONDUCT IS FUNDAMENTAL TO A SUCCESSFUL COMPLIANCE PROGRAM

According to the US Department of Health and Human Services (HHS), Office of Inspector General (OIG), “a Code of Conduct is fundamental to a successful compliance program because it articulates the organization’s commitment to ethical behavior.”

A Code of Conduct is a healthcare organization’s guiding behavioral document. It tells its employees, stakeholders, patients and the public at large, how it will behave in a complex industry. It’s an important document, from which all policies and procedures derive the ethical approach an organization will take as it faces the unknown.

## WHY YOU NEED TO UPDATE YOUR CODE OF CONDUCT

The OIG recommends regular review and updates (as appropriate) of an organization’s code of conduct. Unfortunately, many compli-

ance officers may take their Code of Conduct for granted, despite the fact that it helps to maintain compliance by representing a company culture of high ethical standards and integrity.

The Code Of Conduct is vital to compliance, so much so, that almost all Corporate Integrity Agreements (CIAs) begin with a requirement for a Code of Conduct to be written, reviewed and shared with all employees. It makes sense to start at the bottom, at the very foundation of an organization, in order to make vast improvements. If the Code of Conduct is not updated or adhered to, an organization is bound to have compliance issues sooner or later.

## UPDATING YOUR CODE OF CONDUCT FOR VALUES AND COMPLIANCE

The cornerstone of any compliance program is your Code of Conduct, which only underlines the significance of this essential document. Updating your Code of Conduct doesn’t have to be an ominous endeavor but it should be



thoughtful and thorough, after all, it's a document that defines you. An updated Code of Conduct gently shapes your organization into the kind of place that is not only compliant but that is close to its roots, the community, and the people it serves.

Your current Code of Conduct should clearly state your organization's core values, guidelines, and expectations. A healthcare organization is dynamic and your Code of Conduct should evolve to reflect those changes. Surely, your policies, relevant laws, or company culture has changed since the document was originally written or last revised.

## SPECIFIC AREAS TO UPDATE

The healthcare industry changes often, in the reimbursement methodologies, passage of new legislation, trends in the enforcement arena or significant change in your organization's structure or mission. These changes should be reflected in your Code Of Conduct.

For example, years ago most organizations in healthcare included significant language in their Codes of Conduct regarding patient privacy when HIPAA legislation was passed and final rules had been issued. More recently, newer legislation such as the HITECH Act has

emphasized electronic PHI security. Additionally, enforcement agencies such as the HHS Office for Civil Rights have increased their proactive auditing, entering into resolution agreements with offending parties and issuing civil money penalties (CMPs) surrounding PHI breaches. These newer developments warrant a review and update of your organization's Code of Conduct language surrounding patient privacy and PHI security.

Another area to consider updating in your Code of Conduct is your organization's responsibility for quality of patient care. Most compliance officials know of the numerous CIAs entered into between the U.S. Government and healthcare organizations, but some may not be aware of the separate list of publications known as Quality of Care Corporate Integrity Agreements. These are CIAs, most entered into recently, specific to issues surrounding patient quality of care. There are different provider types that have entered into these types of CIAs including physician, hospitals and long-term care facilities.

A third area to consider when updating a Code of Conduct is the language around the governing board and their responsibility for the compliance program of an organization. In April of 2015, the OIG, Assoc. of Healthcare

Internal Auditors, American Health Lawyers Assoc., and the Health Care Compliance Assoc., jointly published the "Practical Guidance for Healthcare Governing Boards on Compliance Oversight." This document outlines steps a board should take in overseeing its organization's compliance program. It would be advisable to review this document and incorporate the appropriate language and tone to support this concept in your organization's Code of Conduct.

## A STARTING POINT FOR REVISIONS: WHAT SHOULD BE INCLUDED IN YOUR CODE OF CONDUCT

In recent OIG CIAs , , the following were outlined as requirements of a Code of Conduct. During the revision process make sure that all of the following key components are in place and revise where necessary:

- Evaluation of employee job performance is tied to adherence to principles and values of the Code of Conduct
- Organization's commitment to full compliance with all Federal healthcare program requirements

- Employees and business partners shall be expected to comply with all Federal healthcare program requirements and the organization's own policies and procedures
- The right of all individuals to anonymously and confidentially report any inappropriate conduct to the organization without fear of retaliation
- Possible consequences to the organization and individuals of noncompliance
- Possible consequences to the organization and individuals for failing to report non-compliance
- Require all employees and business partners to report suspected violations
- Code of Conduct shall be reviewed at least annually to determine if any revisions are appropriate
- Code of Conduct shall be distributed at least annually to all employees and business partners

## WHO SHOULD BE RESPONSIBLE FOR UPDATING THE CODE OF CONDUCT?

Since the Code of Conduct is such a fundamental document, expressing cornerstone values of your organization, it should include participation from the highest level of mem-

bers within the organization, including:

- The Board Of Directors
- CEO
- Executive officers
- Senior management
- Clinical staff
- Workforce members from multiple levels

The involvement of management and employees in this process demonstrates to everyone involved within the organization that it is committed to ethical behavior.

It is recommended that the highest officials in the organization communicate the expectation to follow the code of conduct. Many organizations include an introductory statement by the chairman of the board and CEO/President. In addition, it is a best practice and is recommended by the OIG that an organization keep and maintain written certification from each employee that they have read, understood and will follow the code of conduct.

## MAKE YOUR REVISED CODE OF CONDUCT AVAILABLE

Once your Code of Conduct has been revised it should be made available to everyone and no assumptions should be made about ad-

herence even in the case of a prescriptive CIA. For example, one organization subject to a CIA was fined \$15,000 when it failed, among other things, to provide business partners with a copy of its Code of Conduct as required by the CIA. A Code of Conduct should be brief and understandable to all employees and business partners.

Regarding this, the OIG has stated, "unlike the more detailed policies and procedures, the Code of Conduct should be brief, easily readable, and cover general principles applicable to all members of the organization."

The code should be available in multiple languages as necessary for an organization's workforce, and should be written at a level so that all can comprehend its meaning and importance.

It is a foundational document, similar to a constitution, which describes the fundamental principles, values and framework for action within an organization.

## IMPLEMENTATION IS KEY

The true value of a Code of Conduct is not only how well it is written, but also how well it is followed. An organization can have an updated, well-written Code of Conduct, but if the unspoken culture in the organization is not ethical then the Code of Conduct will not do the organization any good. It is essential to examine the core ethical values of the organization, identify which values can be strictly adhered to, and incorporate these into the Code of Conduct. Such a code will reflect the desired company culture and act as the foundation for which to build out the remainder of its compliance program—and inform your organization’s culture.

## SOURCES

1. THE HEALTH CARE DIRECTOR’S COMPLIANCE DUTIES: A Continued Focus of Attention and Enforcement, A Joint Publication from the Office of the Inspector General, U.S. Department of Health and Human Services and the American Health Lawyers Association, Copyright 2011 American Health Lawyers Association, [http://oig.hhs.gov/compliance/compliance-guidance/docs/Health\\_Care\\_Directors\\_Compliance\\_Duties.pdf](http://oig.hhs.gov/compliance/compliance-guidance/docs/Health_Care_Directors_Compliance_Duties.pdf)
2. Federal Register / Vol. 65, No. 52 / Thursday, March 16, 2000, pg 14292
3. <http://oig.hhs.gov/compliance/corporate-integrity-agreements/quality-of-care.asp>
4. <http://oig.hhs.gov/compliance/compliance-guidance/docs/Practical-Guidance-for-Health-Care-Boards-on-Compliance-Oversight.pdf>
5. CORPORATE INTEGRITY AGREEMENT BETWEEN THE OFFICE OF INSPECTOR GENERAL OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES AND REHABCARE GROUP, INC. AND KINDRED HEALTHCARE, INC., effective, 1-11-2016, [http://oig.hhs.gov/fraud/cia/agreements/RehabCare\\_Group\\_Inc\\_and\\_Kindred\\_Healthcare\\_Inc\\_01112016.pdf](http://oig.hhs.gov/fraud/cia/agreements/RehabCare_Group_Inc_and_Kindred_Healthcare_Inc_01112016.pdf)
6. CORPORATE INTEGRITY AGREEMENT BETWEEN THE OFFICE OF INSPECTOR GENERAL OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES AND MEMORIAL HEALTH, INC., MEMORIAL HEALTH UNIVERSITY MEDICAL CENTER, INC., PROVIDENT HEALTH SERVICES, INC., AND MPPG, INC., d/b/a MEMORIAL HEALTH UNIVERSITY PHYSICIANS, effective 12-22-2015, [http://oig.hhs.gov/fraud/cia/agreements/Memorial\\_Health\\_Inc\\_Memorial\\_Health\\_University\\_Medical\\_Center\\_12222015.pdf](http://oig.hhs.gov/fraud/cia/agreements/Memorial_Health_Inc_Memorial_Health_University_Medical_Center_12222015.pdf)
7. ibid
8. Federal Register / Vol. 65, No. 52 / Thursday, March 16, 2000, pg 14292
9. <http://my.clevelandclinic.org/ccf/media/Files/About/CodeofConduct08.pdf?la=en>
10. <https://intermountainhealthcare.org/~media/Files/About/code-ethics.pdf>
11. Federal Register / Vol. 65, No. 52 / Thursday, March 16, 2000, pg 14292
12. 06-09-2014, Florida Medical Device Company Pays CIA Stipulated Penalty, <http://oig.hhs.gov/fraud/enforcement/ciae/>
13. Federal Register / Vol. 70, No. 19 / Monday, January 31, 2005 / Notices, page 4874
14. Federal Register / Vol. 65, No. 52 / Thursday, March 16, 2000, pg 14292
15. ibid



AUTHOR BIO

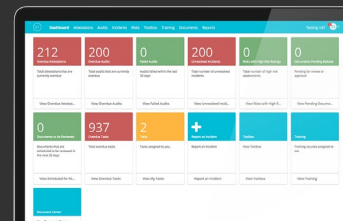
# CJ Wolf MD, CHC, CPC, CCEP, CIA

CJ Wolf is a healthcare professional with more than 20 years of experience in hospital and physician revenue cycle, practice management, compliance, coding, billing, and client services. He has been providing healthcare consulting and solution services to hospitals and physician organizations throughout the country.

For more on Healthicity's [Compliance Services and Solutions](#), please visit [healthicity.com/compliance](http://healthicity.com/compliance) or call 877.777.3001

© Healthicity, 2018. All rights reserved

## Compliance Manager



WATCH ON-DEMAND DEMO

## Resource Center



By Brenda Chidester-Palmer, CPC, CPC-I, CCS-P

EXPLORE FREE RESOURCES