



UMC COMPLIANCE MANUAL

2025



Introduction

UMC has developed this Compliance Manual as a resource, to summarize basic healthcare compliance standards and provide an overview of the UMC Compliance Program. The Compliance Manual is not intended to fully describe the laws that apply to personnel or to detail company policies and procedures. The Compliance Manual should be read along with UMC Compliance Program Code of Conduct, Vendor Relations, and Conflict of Interest policies, as well as the UMC Compliance handbook/pamphlet. Current versions of the Codes of Conduct can be found on our UMC Compliance department website and all policies are available on the main UMC Policies & Procedures Website.

Patient Care

UMC is committed to providing high-quality patient care in the communities we serve, and advocates a responsive management style and a patient-first philosophy based on integrity and competence. We treat our patients with respect and dignity, providing high-quality, compassionate care in a clean, safe environment.

Commitment to Compliance

UMC is committed to full compliance with all applicable laws and regulations. Adherence to compliance and ethical standards is part of the job performance evaluation criteria for all UMC personnel. Failure to comply with these requirements is viewed seriously, and will subject individuals to disciplinary action, up to and including termination. UMC and its facilities have developed policies and procedures that describe how the duties and obligations of UMC personnel are to be performed. UMC personnel are required to know, understand and follow all policies and procedures that apply to their work, and to seek clarification from their supervisor if they have any questions.

Code of Conduct

UMC has developed a Code of Conduct that is designed to deter wrongdoing and promote honest and ethical conduct. The Code of Conduct details the fundamental principles, values and framework for compliance within the organization, providing guidance on acceptable behavior for UMC personnel and making clear the expectation that UMC personnel will comply with all applicable governmental laws, rules and regulations, and will report violations of the law or company policies to appropriate persons. The Code of Conduct is available on the Intranet in the Compliance and Privacy Department webpage or from the Compliance Officer.

Leadership Responsibilities

UMC expects its leaders to set the example, to be in every respect a role model. Our leaders help to create a culture that promotes the highest standards of ethics and compliance. This culture must encourage everyone in the organization to share concerns when they arise, without fear of retaliation. We must never sacrifice ethical and compliant behavior in the pursuit of business objectives.

UMC Compliance Program

UMC is committed to an effective Compliance Program that includes the following elements:

1. Designation of a UMC Compliance Officer and the Compliance Committee
2. Development of written Compliance Policies and Procedures and the *UMC Code of Conduct*, which contains written standards of conduct
3. Open lines of communication, including a toll-free hotline and internet-based reporting that permit anonymous reporting without fear of retaliation
4. Appropriate training and education
5. Internal monitoring and auditing activities
6. Enforcement of disciplinary standards
7. Response to detected deficiencies

The Compliance Program also defines roles and responsibilities, assigns oversight for compliance, and conducts assessments of the Program's effectiveness.

The UMC Compliance Program is part of the operations of all UMC facilities and corporate functions. The Compliance Program reviews and evaluates compliance issues and concerns within the organization relating to federal and state healthcare programs, and is designed to assure compliance with all laws, rules and regulations relating to these programs. As a part of its Compliance Program, UMC has developed this Compliance Manual, Compliance Handbook/Pamphlet and the Code of Conduct which are designed to communicate to personnel the intent to comply with all applicable laws and UMC and facility policies and procedures.

UMC is committed to an effective Compliance Program that will:

- Review the organization's business activities and consequent legal compliance and legal risks.
- Educate all personnel regarding compliance and train relevant personnel to conduct their job activities in compliance with state and federal law and according to the policies and procedures of the Compliance Program.
- Implement auditing, monitoring and reporting functions to measure the effectiveness of the

Compliance Program and to address problems in an efficient and timely manner.

- Include enforcement and disciplinary components to assure that all personnel take their compliance responsibilities seriously and adhere to all applicable requirements.

Overall responsibility for operation and oversight of the Compliance Program belongs to the UMC Board of Directors; however, the day-to-day responsibility for operation and oversight rests with the UMC Compliance Officer, who has direct access to the CEO and Board of Directors and makes regular reports to the CEO and Board on the status of the UMC Compliance Program.

Compliance Officer and Compliance Committee Designation

UMC employs a Compliance Officer to oversee the UMC Compliance Program. The Compliance Officer focuses on compliance with the rules and regulations of regulatory agencies and UMC policies and procedures, and works to promote behavior that meets appropriate standards of conduct.

The UMC Compliance Committee, chaired by the Compliance Officer and Privacy Officer, meets quarterly and supports the UMC Compliance Officer by providing oversight for the implementation and operation of the Compliance Program.

Compliance Policies and Procedures

UMC has developed written compliance policies and procedures that are designed to help personnel carry out their job functions in compliance with federal healthcare program requirements, and to further the mission and objectives of UMC and its facilities.

Open Lines of Communication

UMC encourages open communication without fear of retaliation. This facilitates our ability to identify and respond to compliance problems. If there are any questions or concerns regarding compliance with state or federal law, or any aspect of the Compliance Program, including the compliance policies or procedures, personnel should seek immediate clarification from their supervisor, or the UMC Compliance Office. They can also call the toll-free Compliance Hotline (1-(888) 691-0772) or report via the UMC Intranet using the Compliance Hotline link. These reports may be made anonymously. If anyone has knowledge of, or in good faith suspects, any wrongdoing:

- in the documenting, coding, or billing for services, equipment, or supplies
- in the organization's financial practices
- involving any violation of any law or regulation
- involving a violation of any UMC or facility policy
- any other compliance concern

They are expected to promptly report it so that an investigation can be conducted and appropriate action taken.

Response to Detected Deficiencies

UMC is committed to responding consistently and decisively to detected deficiencies. As deficiencies are discovered through audits, reporting mechanisms, and other activities involved with the operation of Compliance Program, corrective measures and disciplinary actions will be developed to address the noncompliance. UMC has developed Compliance Policies that set forth the policies and procedures for the organization.

Enforcement of Disciplinary Standards

UMC personnel, who violate the law, or compliance related UMC policies, including the duty to report suspected violations, are subject to disciplinary action per UMC policy. Disciplinary actions will reflect the severity of the noncompliance, up to and including immediate termination. In addition, adherence to compliance and ethical standards will be part of the job performance evaluation criteria for all personnel.

Supervisors and management are responsible for disciplinary actions and are expected to work with the applicable human resources departments to assure that each instance involving the enforcement of disciplinary standards is thoroughly documented and that disciplinary standards are enforced consistently across the organization. All UMC personnel are expected and required to adhere to and follow compliance related policies.

Reporting Improper Conduct

UMC is committed to complying with all applicable laws and regulations, including those designed to prevent and deter fraud, waste and abuse. The organization desires a climate that discourages improper conduct and facilitates open communication of any compliance concerns and/or questions. If any UMC personnel have knowledge of, or in good faith, suspect any wrongdoing involving any violation of any compliance related law, regulation or policy, they are required to promptly report it so that an investigation can be conducted and appropriate action taken. Failure to report suspected violations may result in disciplinary action, up to and including termination.

There are many ways to report suspected improper conduct. UMC personnel may bring potential or actual compliance related issues to the attention of a supervisor. That supervisor is then required to report such to the Compliance Officer. Any UMC personnel has the right to report potential or actual compliance related issues directly to the Compliance Officer. Failure to report any known illegal conduct can have serious consequences.

No retaliation will be permitted against UMC personnel who bring forward concerns made in good faith. Only where it has been clearly determined that someone has made a report of wrongdoing maliciously, frivolously, or in bad faith will disciplinary action be considered.

Below is the procedure for reporting and investigating potential compliance issues:

1. If at any time, UMC personnel become aware of or suspect illegal or unethical conduct or a violation of UMC policies, they must report it. They may report it to their immediate supervisor, manager, or directly to the UMC Compliance Officer or the UMC Legal Department.
2. Anyone may also make a report by using the toll-free Compliance Hotline (1-888- 691-0772) or via Web

Reporting on the intranet. Reports using these methods may be made anonymously, if the individual chooses.

3. Self-reporting is encouraged. UMC personnel who self-report their own wrongdoing or violation of law will be given due consideration in potential mitigation of any disciplinary action that may be taken.
4. Once a report is received, an appropriate person will then conduct an investigation into the allegations to determine the nature, scope, and duration of wrongdoing, if any. UMC investigates all claims of wrongdoing. If the allegations are substantiated, a plan for corrective action will be developed.
5. **Retaliation in any form against anyone who makes a report of wrongdoing or cooperates in an investigation is strictly prohibited. If any individual feels that they have been retaliated against, they should report it immediately, using any of the reporting methods referenced in this policy.**

Our commitment to compliance and ethical conduct depends on all personnel. Should anyone find themselves in an ethical dilemma or suspect inappropriate or illegal conduct, they should remember the internal processes that are available for guidance or for reporting suspected unethical conduct, including the compliance hotline or via web reporting.

Supervisors Receiving Complaints

Supervisors receiving a complaint that raises a potential compliance issue are required to promptly report the issue to the Compliance Officer. Issues that do not raise a potential compliance issue will be referred to the appropriate department. Supervisors will not take any retaliatory action against personnel who report issues in good faith and/or cooperate in an investigation. Retaliation or reprisal against anyone for reporting a compliance issue in good faith or cooperates in an investigation is strictly prohibited by law and is a violation of UMC policy. Only where it has been clearly determined that someone has made a report of wrongdoing maliciously, frivolously, or in bad faith will disciplinary action be considered.

Medical Records

UMC strives to ensure facility medical records are accurate and provide information that documents the treatment provided and supports the claims submitted. Tampering with or falsifying medical records, financial documents or other business records of UMC will not be tolerated. The confidentiality of patient records and information must be maintained in accordance with privacy and security laws and regulations that protect patient information, including protected health information (PHI) under HIPAA and HITECH and applicable state laws.

Internal Monitoring and Auditing

UMC personnel are required to cooperate with all UMC-authorized auditing and monitoring activities. The UMC Corporate Compliance Department works with UMC division leaders to initiate compliance auditing and monitoring throughout the year to identify problems deemed high-risk for compliance and to address other significant compliance issues.

Training and Education

UMC provides annual mandatory online compliance training and education for its personnel that:

- Reviews the elements of the Compliance Program
- Provides information about applicable laws, policies and procedures
- Discusses the ethical standards and expectations set forth in the Code of Conduct

Ineligible Persons – Excluded Individuals and Entities

UMC does not do business with, hire or bill for services rendered by individuals or entities that are excluded or ineligible to participate in federal healthcare programs. UMC has a requirement that appropriate checks be performed for applicable individuals in accordance with state and federal laws relating to exclusion from government healthcare programs and licensure status. Screening for excluded individuals and entities is accomplished in adherence with the OIG LEIE Exclusion Screening Policy, which can be found on the UMC Intranet. This policy is designed to assure that no government healthcare program payment is sought for any items or services directed or prescribed by a physician, practitioner, or contractor who provides and/or orders services and who is an ineligible person. UMC personnel have a responsibility to report to their supervisor or human resources department if they become excluded or otherwise ineligible to participate in Federal healthcare programs.

Healthcare Laws, Regulations and Requirements

This section of the Compliance Manual contains an overview of some of the more important federal laws and regulations that apply to UMC and its facilities. It is not intended to be a complete discussion of these laws and regulations, or to describe every applicable law and regulation. UMC expects its personnel to fully comply with all applicable laws and regulations — federal, state, and local. Failure to comply with legal requirements is viewed seriously by UMC, and can lead to serious disciplinary action, up to and including immediate termination.

Submission of Accurate Claims and Information

All claims and requests for reimbursement from the Federal healthcare programs including Medicare, Medicaid, and the Veterans Administration – and all documentation supporting such claims or requests — must be complete and accurate and comply with legal requirements. They must reflect reasonable and necessary services ordered by appropriately licensed medical professionals who are participating providers in the healthcare program. This includes, among other important areas, appropriate outpatient procedure coding, admissions and discharges, supplemental payment considerations and the proper use of information technology.

UMC expects all persons involved in healthcare billing and claims reimbursement activities to submit timely, accurate and proper claims and information. Appropriate documentation is needed to support all claims, and the diagnosis and procedure codes on bills must accurately reflect the information documented in the medical records and other applicable documents. UMC personnel must adhere to all relevant rules and regulations pertaining to federal and state healthcare program requirements, as well as billing policies, including but not limited to the following:

- accuracy in all billing activities, including the submission of claims and information
- billing for items actually rendered
- billing only for medically necessary services

- billing with correct billing codes
- preparing accurate cost reports
- assuring that no duplicate billing occurs

If a billing error is identified subsequent to the submission of a claim to Medicare, Medicaid or other government payer, then steps should be taken to submit the corrected claim. The error should be reported using the following process:

- UMC departments will quantify the charge entry error that caused the overpayment and report it to the Patient Accounting Department.
- The Patient Accounting Department Executive Director shall immediately report to the Compliance Officer all potential or actual overpayments from government payors that require compliance oversight or investigation.
- Within 60 days after identification of any overpayment from any government payor, UMC will repay the overpayment unless such overpayment would be subject to reconciliation and/or adjustment pursuant to routine policies and procedures established by the government payor or fiscal intermediary.
- The department which entered the charges will take remedial steps to correct the problem and prevent the overpayment from recurring in the future.

Referral Statutes

The Anti-Kickback statute and Stark law (Sections 1128B(b) and 1877 of the Social Security Act), as well as certain state laws, prohibit the offer or payment of any compensation or other remuneration to any party for the referral of patients and/or federal healthcare business.

The Stark Law prohibits a hospital from billing Medicare, Medicaid or other government payers for services rendered as a result of an improper financial arrangement with a referring physician or an Immediate Family Member of a referring physician. ("Immediate Family Members" is defined under federal law as spouse; natural or adoptive parent, child, or sibling; stepparent, stepchild, stepbrother or stepsister; father-in law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law; grandparent or grandchild; and the spouse of a grandparent or grandchild.) Financial arrangements with Referral Sources that are governed by the laws can include, but are not limited to: (1) leases, (2) medical directorships, (3) physician services agreements, (4) recruitment arrangements, (5) on-call agreements, and (6) other arrangements.

When UMC enters into financial arrangements for the purchase of goods and/ or services with physicians (including Immediate Family Members), physician groups, any entity owned or operated by physicians, and/or any other existing or potential healthcare referral sources ("Referral Sources"), it will consider the appropriate use of resources, and all agreements and contracts will be in accordance with legal statutory and regulatory requirements, as well as UMC policies and procedures.

- UMC and its workforce will not solicit or receive from any person or entity, nor offer or give to any person or entity, anything of material value if that person or entity is in a position to refer business to a UMC facility or if UMC is in a position to refer business to that person or entity, except as permitted by policy or law.
- UMC and its workforce will not submit or cause to be submitted a bill or claim for reimbursement for services provided pursuant to a prohibited referral.
- All agreements between UMC and physicians (including immediate family members of physicians) or other referral sources must be submitted in accordance with the UMC

contracting process and will be prepared, reviewed and approved by the Contracts Department to assure their compliance with Anti-Kickback statute, Stark Law, and state law requirements. Assistance from the UMC General Counsel and Compliance Officer will be provided as requested for legal or compliance related questions.

- All agreements where remuneration is exchanged between UMC and a physician or other referral source must, at a minimum, be based upon fair market value and commercially reasonable and will not take into account the value or volume of referrals to UMC or any of its facilities.
- UMC has established and provided policies, protocols and standards (and will continue to do so in the future as necessary) on the specific requirements for agreements with physicians and other referral sources which shall be adhered to and followed by all UMC workforce.
- Any non-monetary compensation to physicians is subject to tracking and annual limits and must not be based upon the volume or value of referrals or violate the Anti-Kickback Statute or Stark Law.

Quality of Patient Care

Participation in Medicare and Medicaid requires that hospitals and other healthcare providers deliver care to patients that is medically necessary and is of a quality that meets professionally recognized standards of care. UMC is committed to providing high quality care to patients and will not tolerate facilities or personnel who provide substandard or unnecessary care. All UMC facilities must meet the Medicare conditions of participation that apply to them including those requiring a quality assessment and performance improvement program, and must develop quality of care protocols and implement mechanisms for evaluating compliance with the protocols.

The Office of Inspector General (OIG) is authorized to exclude healthcare providers from participation in federal healthcare programs that provide unnecessary or substandard items or services provided to any patient. Government authorities are increasingly focused on the issue of substandard care and have brought enforcement actions ranging from administrative remedies to sanctions, which could include monetary penalties and exclusion from the government programs.

UMC personnel are expected to adhere to all applicable standards and conditions including, among others, the conditions of participation (COPs) for Medicare and The Joint Commission standards. UMC personnel must obtain and maintain the professional skill and training necessary to competently and effectively carry out their job responsibilities, including all professional licenses necessary to perform their work at UMC facilities.

Emergency Medical Treatment and Labor Act (EMTALA)

UMC facilities and their personnel are expected to comply with all applicable requirements of the Emergency Medical Treatment and Active Labor Act (“EMTALA”) (Section 1867(a) of the Social Security Act). EMTALA is a federal law requiring, among other things, that a Medicare-participating hospital with an emergency department to provide a medical screening examination (“MSE”) to any individual who comes to the emergency department (“ED”) and requests such an examination regardless of his/her ability to pay or insurance coverage status. EMTALA prohibits such hospital from refusing the MSE and, if the individual has an emergency medical condition (“EMC”), the hospital must provide appropriate stabilizing treatment or appropriate transfer of such individual to another facility, and accept appropriate transfers if the hospital has the specialized capabilities and capacity to treat the individual to be transferred that another facility lacks.

Privacy and Security of Patient Health Information

Patient health information is protected under both state and federal laws. Under federal law, this is referred to as “protected health information” or PHI and is governed by the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health (HITECH) Act of 2009, and their implementing regulations, including the HIPAA Privacy Rule and the HIPAA Security Rule.

The HIPAA Privacy Rule provides federal privacy protections for PHI held by covered entities such as UMC facilities and describes patient rights with respect to their PHI. The HIPAA Security Rule requires covered entities and their business associates that use PHI to use administrative, physical, and technical safeguards to assure the confidentiality, integrity, and availability of electronic protected health information.

UMC has policies and procedures in place addressing the applicable privacy and security requirements. All personnel receive training on HIPAA requirements and are expected to obey these requirements and keep PHI confidential during its collection, use, storage and destruction. UMC personnel are not permitted to access, obtain, disclose or discuss PHI without written authorization from the patient or their legal representative, unless necessary for treatment, payment or healthcare operations or required by law.

False Claims Laws and Whistleblower Protection

UMC intends to fully comply with the False Claims Act (FCA) (31 U.S.C. Sec. 3729-3722) and any similar state laws. These laws fight fraud and abuse in government healthcare programs. Under the FCA, individuals can bring a lawsuit in the name of the United States by filing a complaint confidentially “under seal” in court if they discover that a fraudulent claim has been made for reimbursement by a government agency. The FCA applies to both organizations and individuals who engage in billing fraud. FCA lawsuits function to recover government funds paid as a result of false claims. Fines against the entity that submitted the false claims include a penalty of up to three times the government’s damages, civil penalties ranging from \$5,500 to \$11,000 per false claim, and the costs of the lawsuit. The federal FCA applies to claims for reimbursement for federally funded programs including, for example, claims submitted to Medicare or Medicaid. The federal FCA contains a “qui tam” provision, commonly called the “whistleblower” provision, which permits a private person with knowledge of a false claim to file a lawsuit on behalf of the United States Government. An individual who exposes wasteful, harmful, or illegal acts is often called a “whistleblower,” or “qui tam relator.” A qui tam relator may be awarded a percentage of the funds recovered. The FCA provides protection for qui tam relators from termination, demotion, suspension, or discrimination related to these claims. However, if an individual files such a lawsuit frivolously they may be subject to sanctions, including the responsibility for paying the other party’s attorney’s fees. If a qui tam relator is convicted of criminal conduct, the qui tam relator will not receive any proceeds and will be dismissed from the lawsuit.

In addition to the federal FCA, there are individual state laws providing that persons who report fraud and abuse by participating healthcare providers in the state’s Medicaid Program may be entitled to a portion of the recovery against the healthcare providers. Similar to the federal FCA, there are protections against retaliation. State false claims act statutes often mirror the federal FCA and have similar penalty provisions.

Another federal law that resembles the FCA provides administrative remedies, subject to limited court review, for knowingly submitting false claims and statements. Under this law, the Program Fraud Civil Remedies Act of 1986 (“PFCRA”), a false claim or statement includes submitting a claim or making a written statement that is for services that were not provided, or that asserts a material fact that is false, or that omits a material fact. The PFCRA provides for a maximum civil penalty of \$5,000 per claim or statement, and an assessment of not more than twice the amount of each false or fraudulent claim.

Relationships with Federal Healthcare Beneficiaries

Federal fraud and abuse laws prohibit offering or providing inducements to beneficiaries in government healthcare programs and authorize the OIG to impose civil money penalties (CMPs) for these violations. UMC personnel may not offer valuable items or services to Medicare, Medicaid, Veterans Administration or other government healthcare program beneficiaries to attract their business. This includes gifts, gratuities, certain cost-sharing waivers, and other things of value.

Conflicts of Interest

UMC personnel have a duty to be loyal, to advance the legitimate business interests of UMC, to not obtain any improper personal benefit by virtue of employment with UMC, and to avoid conflicts of interest with UMC. The UMC Code of Conduct and Vendor Relations and Conflict of Interest policies apply to all UMC Workforce Members. Employed UMC personnel are also considered public employees and are therefore subject to Nevada Revised Statute 281A (Ethics in Government).

Personnel should not place themselves in a position where their actions or the activities or interests of others with whom they or with whom a member of their family may have a financial, business, professional, family or social relationship that could be in conflict with the interests of UMC or its subsidiaries.

Examples of conflicts of interest include:

- A direct or indirect interest in any transaction which might in any way affect an employee's objectivity, independent judgment or conduct in carrying out his or her job responsibilities.
- Conducting any business or performing any services for another individual or company while at work.
- Using UMC property or other resources for outside activities.
- Direct or indirect involvement in outside commercial interests, such as vendors, physicians, patients, competitors or others having a business relationship with the facility, which could influence the decisions or actions of an employee performing his or her job.
- Using or revealing outside the facility any confidential or proprietary information concerning the facility.
- Using for personal gain confidential or "insider" information obtained as a result of employment with the facility.

UMC personnel are required to disclose any situation that creates an actual or potential conflict of interest to their supervisors. Violations of conflict of interest policies are subject to corrective action, up to and including immediate dismissal. If appropriate under the circumstances, UMC may seek to recover damages or improperly received gains and/or encourage prosecution for potential criminal offenses.