INSTITUTIONAL COMPLIANCE AGREEMENT

BETWEEN THE

OFFICE OF INSPECTOR GENERAL OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

AND

COLUMBIA UNIVERSITY

I. PREAMBLE

Columbia University ("Columbia") hereby enters into this Institutional Compliance Agreement ("ICA") with the Office of Inspector General ("OIG") of the United States Department of Health and Human Services ("HHS") to ensure compliance with the reimbursement requirements of Medicare, Medicaid and all other Federal health care programs (as defined in 42 U.S.C. § 1320a-7b(f)) ("Federal health care program requirements") as they relate to the submission of claims by Columbia with regard to professional services rendered by its Providers. Contemporaneously with this ICA, Columbia is entering into a Stipulation and Order of Settlement and Dismissal (the "Agreement") with the United States, and this ICA is incorporated by reference into the Agreement.

Prior to the execution of this ICA, Columbia established a compliance plan (known as the "Billing Compliance Plan") which provides for integrity Policies and Procedures and which, as represented by Columbia in this ICA, is aimed at ensuring that its participation in the Federal health care programs (which includes any requests for payments) is in conformity with the statutes, regulations and other directives applicable to those programs. Columbia employees, including physicians or other health care providers and staff, participate in the Billing Compliance Plan. For the purposes of this ICA, the term "provider" shall mean all physician faculty of the Columbia University College of Physicians and Surgeons ("CPS") or ancillary health providers who provide professional medical services at the NYPH Columbia Presbyterian Campus, East 60th Street or at the Allen Pavilion: 1) as employees of Columbia, or 2) pursuant to contracts between their employers and Columbia. For the purposes of this ICA, the term "employee" shall mean: all Columbia employees or contract employees who are involved in the generation and submission of reimbursement claims for physician services, including, but not limited to, coders and billing personnel. This ICA also applies to all third parties Columbia may choose to engage as its billing agents.

Pursuant to this ICA, Columbia hereby agrees to maintain in full operation, or adapt as required by this ICA, the Billing Compliance Plan as it relates to the submission of claims for physician services for the term of this ICA. The Billing Compliance Plan may be modified by Columbia as appropriate, but at a minimum, shall comply with the integrity obligations enumerated in this ICA.

II. TERM AND SCOPE OF THE ICA

The period of the compliance obligations assumed by Columbia under this ICA shall be 5 years from the Effective Date of this ICA (unless otherwise specified). The "Effective Date" of this ICA shall be the date on which the final signatory of this ICA executes this ICA.

Sections IV, VII, VIII, IX and X shall expire no later than 120 days from OIG's receipt of: (1) Columbia's final Annual Report; or (2) any additional materials submitted by Columbia pursuant to OIG's request, whichever is later. Each one-year period, beginning with the one-year period following the Effective Date, shall be referred to as a "Reporting Period."

III. INTEGRITY OBLIGATIONS

Pursuant to this ICA, and for its duration, Columbia shall make the following integrity obligations permanent features of its Compliance Plan, which shall be established in accordance with the provisions below:

A. COMPLIANCE COMMITTEE

Columbia represents to OIG that, pursuant to its Billing Compliance Plan, it has created a Steering Committee ("Compliance Committee") to monitor the implementation of the Billing Compliance Plan and to provide advice and recommendations to the Columbia Compliance Officer, the Dean of the School of Medicine, and the Board of Trustees of Columbia on compliance issues, Policies and Procedures, and changes to the Billing Compliance Plan. To the extent it does not already, the Compliance Committee shall include the Chief Compliance Officer and other members of senior management necessary to meet the requirements of this ICA (e.g., senior executives of relevant departments, such as billing, clinical, human resources, audit, and operations). The Chief Compliance Officer shall chair the Compliance Committee and the Committee shall support the Chief Compliance Officer in fulfilling his/her responsibilities (e.g., shall assist in the analysis of the organization's risk areas and shall oversee monitoring of internal and external audits and investigations).

Any changes in the composition of the Compliance Committee, or any actions or changes that would affect the Compliance Committee's ability to perform the duties necessary to meet the obligations in this ICA, shall be reported to OIG, in writing, within 30 days of such a change.

B. COMPLIANCE OFFICER

Columbia represents to OIG that, pursuant to its Billing Compliance Plan, it has created the position of Chief Compliance Officer (hereafter "Compliance Officer") and appointed an individual to serve in that capacity. Accordingly, Columbia shall formally maintain the appointment of an individual to serve as the Compliance Officer throughout the term of this ICA. At a minimum, the Compliance Officer shall continuously be charged with the responsibility for the day-to-day compliance activities in furtherance of the integrity obligations assumed herein, as well as for any reporting obligations established under this ICA. The Compliance Officer shall be a member of senior management of Columbia, shall make periodic reports regarding compliance matters directly to the Board of Trustees of Columbia, and shall be authorized to report on such matters to the President of Columbia, the Dean of CPS, and the Board of Trustees at any time. Any changes in the identity or position description of the Compliance Officer (including voluntary or involuntary personnel changes) or any actions or changes that would materially affect his or her ability to perform the duties necessary to meet the obligations in this ICA shall be reported to OIG within 30 days after the effective date of the change or action.

C. WRITTEN STANDARDS

1. CODE OF CONDUCT. Unless Columbia has already done so, within 120 days after the Effective Date of this ICA, Columbia shall develop and distribute to all employees and Providers a written Code of Conduct as part of its Billing Compliance Plan, and shall maintain it in effect for the duration of this ICA. The Code of Conduct shall also be readily accessible to employees and Providers through means that Columbia considers effective. New employees and Providers shall receive the Code of Conduct within 30 days after the commencement of their employment, or within 120 days after the Effective Date of this ICA, whichever is later.

   Columbia shall document the actions taken to distribute the Code of Conduct to all employees and Providers. Such documents shall be produced to OIG upon request.

   Columbia shall annually review the Code of Conduct and shall make any necessary revisions. These revisions shall be distributed to all employees and Providers within thirty (30) days after initiating such a change, unless the nature of the revision is such that it warrants earlier notice.

   Columbia shall make the promotion of, and adherence to, the Code of Conduct an element in evaluating the performance of all employees. The

Code of Conduct shall, at a minimum, continue to set forth:

a. Columbia's commitment to full compliance with the Federal health care program requirements, including its commitment to prepare and submit accurate reimbursement claims consistent with Federal health care program statutes and regulations, as well as guidance otherwise communicated by the Centers for Medicare and Medicaid Services ("CMS") (or other regulatory agencies that administer the Federal health care programs) and/or its agents;

b. Columbia's requirement that all of its employees and Providers comply with all statutes, regulations, and guidance applicable to the Federal health care programs and with Columbia's own Policies and Procedures (including the requirements arising from this ICA);

c. The requirement that Columbia employees and Providers are expected to report through the Billing Compliance Plan any suspected violations of any statute, regulation, or guidelines applicable to the Federal health care programs or of Columbia's own Policies and Procedures;

d. The potential consequences to both Columbia and to any of its employees or Providers as a result of any failure to comply with the applicable Federal health care program requirements and/or with Columbia's own Policies and Procedures or any failure to report such non-compliance; and

e. The right of all employees and Providers to use Columbia's confidential disclosure mechanisms, as well as Columbia's commitment to confidentiality and non-retaliation policy with respect to good faith disclosures.

Within 120 days after the Effective Date of this ICA, all employees and Providers shall certify, in writing, that they have received, read, understand and shall abide by Columbia's Code of Conduct. New employees and Providers shall receive the Code of Conduct and shall complete the required certification within 30 days after the commencement of their employment or contract, or within 120 days after the Effective Date of this ICA, whichever is later.

The provisions of this Section III.C.1 shall not apply to employees who terminate their relationship with Columbia within 120 days after the

Effective Date of this ICA.

2. POLICIES AND PROCEDURES. Within 120 days after the Effective Date of this ICA, Columbia shall implement (to the extent it has not already done so) written Policies and Procedures regarding the operation of its Billing Compliance Plan and its overall compliance with all Federal health care program statutes, regulations, and guidance issued by the agency in charge of administering the program and its agents. Accordingly, Columbia hereby agrees to maintain its Policies and Procedures, which at all times shall specifically address: (1) the need for compliance in connection with all submissions for reimbursement for professional medical services; (2) documentation requirements as they pertain to the physician services rendered and/or claimed for reimbursement by or through Columbia; and (3) a process for reasonable verification of compliance with these requirements. In addition, the Policies and Procedures shall include guidelines and methods for employees and Providers to make disclosures or otherwise report on compliance issues to management and/or supervisors, and through the Confidential Disclosure mechanisms required by Section III.F. Columbia shall assess and update the Policies and Procedures at least annually or more frequently, as appropriate. Within 30 days after the effective date of any revisions, the relevant portions of any such revised Policies and Procedures shall be distributed to all individuals whose job functions are related to those Policies and Procedures. A summary of the Policies and Procedures shall be provided to OIG in the Implementation Report, as provided in Section V.A. The Policies and Procedures shall be made available to OIG upon request.

   Within 120 days after the Effective Date of this ICA, Columbia shall provide to all of its employees and Providers the Policies and Procedures relevant to their tasks and responsibilities in connection with Columbia's participation in the Federal health care programs. Columbia shall take actions that it considers reasonable and effective to ensure that these Policies and Procedures are communicated and readily available to employees and Providers, and understood by them. Compliance staff or supervisors shall be duly identified and made continuously available to explain any and all Policies and Procedures.

D. TRAINING AND EDUCATION.

1. GENERAL INITIAL TRAINING. Within 120 days after the Effective Date of this ICA, Columbia shall provide general compliance training to its employees and Providers. This general training shall explain Columbia's:

a. Institutional Compliance Agreement requirements;

b. Billing Compliance Plan (including the Policies and Procedures established pursuant to Section C.2, above), except that OIG shall consider training conducted by Columbia under the Billing Compliance Plan since July 1, 2002, to meet this obligation; and

c. Code of Conduct.

The training materials (including attendance logs) shall be maintained by Columbia and made available to OIG, upon request.

New employees and Providers shall receive the general training described above within 30 days after beginning their employment with Columbia or within 120 days after the Effective Date of this ICA, whichever is later. All employees and Providers shall receive such general training on an annual basis.

2. SPECIFIC TRAINING. Within 120 days after the Effective Date of this ICA, Columbia shall provide to all its employees who perform CPT coding and Providers additional training to supplement the general training required above. At a minimum, this training shall include a discussion of:

a. The submission of accurate requests for reimbursement for physician services rendered to patients of the Federal health care programs;

b. The Policies and Procedures and other requirements applicable to the documentation of medical records;

c. The personal obligation of each individual to ensure that the information documented by the individual, whether relating to actual patient care, the type of services or items delivered or the coding of such services or items is accurate and meets the Federal health care program's requirements and Columbia's policies;

d. Reimbursement rules and statutes applicable to the services for which Columbia seeks reimbursement from Federal health care programs;

e. The legal sanctions for improper reimbursement submissions (including the submission of false or inaccurate information); and

f. Relevant examples of proper and improper billing practices, as it pertains to the rendering of physician services.

These training materials shall be made available to OIG, upon request. Persons providing the training shall be knowledgeable about the subject area.

Within 30 days after the beginning of employment, or within 90 days after the Effective Date of this ICA, whichever is later, Columbia shall provide all such new employees and Providers with more specific training. If the new employee or Provider has any responsibility for the delivery of patient care, and/or the assignment of procedure codes prior to completing this specific training, a Columbia employee who has completed the substantive training shall conduct reviews of the untrained person's work regarding the documentation of services and/or the assignment of billing codes until such time as the new employee or provider is duly trained.

All employees and Providers shall receive refresher sessions on this specific training each year for the duration of this ICA. The substance of the training and the identity of the individuals shall be documented in accordance with Section III.D.3, below.

3. CERTIFICATION. Columbia shall maintain documents that reflect attendance at both general and specific training sessions by employees and Providers, and the topics covered. Columbia may choose the format of these documents, but it is expected that the materials shall include sheets with the signatures of the persons who attended. The Compliance Officer shall retain the attendance logs as well as the course materials. All of these documents shall be made available to OIG, upon request.

Columbia shall certify that such training has been provided in its Implementation and Annual Reports to OIG, in accordance with Section V, below. Information concerning the format, dates, and copies of the materials provided shall be made available, upon request, for review by OIG.

For the purposes of meeting the obligations under this Section III.D, for the term of the first Annual Report under this Agreement, OIG shall consider Columbia's training and educational activities carried out pursuant to the Billing Compliance Plan since July 1, 2002.

E. REVIEW PROCEDURES

1. GENERAL DESCRIPTION. Columbia has developed a protocol, attached hereto as Attachment A, for the purposes of an annual review of claims for each provider who submits claims for professional services through Columbia for obstetrical services delivered at the Allen Pavilion. An objective of the review is to verify compliance with the reimbursement and billing requirements of the Federal health care programs. Implementation of the agreed upon procedures set forth in the protocol shall commence on January 1, 2003, and shall end on December 31, 2007, and shall be an element of this ICA throughout its term.

2. RETENTION OF INDEPENDENT REVIEW ORGANIZATION. Columbia shall retain an entity such as an accounting, auditing, or consulting firm (hereinafter "Independent Review Organization" or "IRO"), to assess whether Columbia has performed the annual reviews in conformance with the agreed upon procedures as described herein. Each IRO retained by Columbia shall have expertise in the reimbursement and billing requirements of the Federal health care programs to verify whether Columbia is implementing the agreed upon procedures. The IRO shall randomly select ten (10) percent of the records included in Columbia's annual review for each Reporting Period and independently verify the accuracy of the claims submitted to the Federal health care programs for reimbursement ("Verification Review"). Columbia shall request the IRO to produce a report on its work, which report shall be included in the Annual Reports to OIG.

3. OVERPAYMENTS. If any of the annual reviews uncovers overpayments that were not already addressed in connection with Columbia's routine monitoring, Columbia shall notify the entity in charge of processing the claim or reimbursement (such as the Medicare Part B carrier or similar Federal health care program payor) within 30 days after determining that there has been an Overpayment and take remedial steps within 60 days after such determination (or such additional time as may be agreed to by the payor in writing) to correct the problem, including preventing the deficiency from recurring, and make any appropriate refunds. For the purposes of this ICA, an "Overpayment" shall mean the amount of money Columbia has received in excess of the amount due and payable under any Federal health care program requirements. The notice to the payor shall include:

   a. a statement that the refund is being made pursuant to this ICA;

   b. a description of the circumstances surrounding the Overpayment;

c. the methodology by which the Overpayment was determined;

d. the amount of the Overpayment;

e. any claim-specific information used to determine the Overpayment (e.g., beneficiary health insurance number, claim number, service date, and payment date); and

f. the provider identification number under which the repayment is being made.

Also, within 30 days of identification of the Overpayment, Columbia shall repay the Overpayment to the appropriate payor to the extent such Overpayment has been quantified. If not yet quantified, within 30 days of identification, Columbia shall notify the payor of its efforts to quantify the Overpayment amount along with a schedule of when such work is expected to be completed. Notification and repayment to the payor shall be done in accordance with the payor's policies, and for Medicare contractors, shall include the information contained on the Overpayment Refund Form, provided as Attachment C to this ICA. Notwithstanding the above, notification and repayment of any Overpayment amount that routinely is reconciled or adjusted pursuant to policies and procedures established by the payor should be handled in accordance with such policies and procedures.

4. MATERIAL BILLING DEFICIENCIES.

If any annual review or monitoring reveals that there may be a material billing deficiency, Columbia shall take reasonable steps to determine the extent of the problem, including the amount of Overpayments by any Federal health care program. To determine the amount of potential Overpayment, Columbia shall conduct a special review, as set forth in Section III.E.2 below. For the purposes of this Agreement, a "material billing deficiency" shall mean anything that involves: (i) a substantial Overpayment; or (ii) a matter that a reasonable person would consider a probable violation of criminal, civil, or administrative laws applicable to any Federal health care program for which penalties or exclusion may be authorized. A material billing deficiency may be the result of an isolated event or a series of occurrences. Columbia shall notify OIG within 30 days after discovering, through any means, that a material billing deficiency exists.

Columbia's notice to OIG shall include: (i) a complete description of the

material billing deficiency, the amount of Overpayment resulting therefrom, and the relevant facts, persons involved, and legal and Federal health care program authorities implicated; (ii) a description of Columbia's actions to correct the deficiency and prevent recurrences; (iii) the name of the third-party payor to whom any refunds relating to the matter have been sent, its address and the names of representatives contacted, if any; (iv) the date of the check or electronic transfer and the identification number (or electronic transfer number) with which all refunds have been made; (v) a report on the calculation of the Overpayment amounts, as provided in subsection E.2 below; and (vi) any further steps Columbia plans to take to address the material billing deficiency and prevent it from recurring.

5. SPECIAL REVIEWS. In the event that a material billing deficiency has been identified, Columbia shall conduct a special review in accordance with the review guidelines as set forth in Attachment B. Upon completion of any special review, Columbia shall prepare a report reflecting adherence to the guidelines set forth in Attachment B.

F. CONFIDENTIAL DISCLOSURE

Columbia has represented to OIG that it has established a confidential disclosure mechanism through a compliance hotline as a means to enable employees, Providers and residents to report instances of noncompliance and/or make inquiries on compliance issues. Pursuant to this ICA, Columbia shall maintain this confidential disclosure mechanism, which shall be available to all employees, Providers, and residents for the purpose of reporting or inquiring on matters of compliance with Federal health care program standards and the obligations in this ICA.

The confidential disclosure mechanism shall emphasize a nonretribution, nonretaliation policy, and shall include a reporting mechanism for anonymous, confidential communication. Upon receipt of a disclosure, the Compliance Officer shall gather all relevant information from the disclosing individual. Columbia shall require the internal inquiry of any disclosure or inquiry that is sufficiently specific so that it: (i) permits a determination of the appropriateness of the practice alleged to be implicated; and (ii) reasonably permits corrective action to be taken and ensures that proper follow-up is conducted. In an effort to address each disclosure and inquiry received Columbia shall, in good faith, make a preliminary inquiry for every disclosure to ensure it has obtained all of the necessary information that is required to determine whether an internal inquiry, in accordance with the language above, shall be conducted. Columbia shall maintain an internal tracking system to record, and follow up on, all disclosures and inquiries received. Columbia shall appropriately publicize the existence of the

disclosure mechanism (e.g., by reviewing at the annual training, by notation in monthly Compliance Newsletters, and on Columbia's Compliance website).

Columbia shall include in each Annual Report to OIG a summary of the communications received under its confidential disclosure mechanism (including the number of disclosures received and the dates of such disclosures) concerning Columbia's billing practices reported as, and found to be, inappropriate. Columbia shall also report the results of its internal inquiries and any follow-up activities on such matters.

G. INELIGIBLE PERSONS

1. DEFINITION. For the purposes of this ICA, an "Ineligible Person" shall be any individual or entity who: (a) is currently excluded, suspended, debarred or otherwise ineligible to participate in the Federal health care programs or in Federal procurement or nonprocurement programs; or (b) has been convicted of a criminal offense that falls within the ambit of 42 U.S.C. §'1320a-7(a), but has not yet been excluded, suspended, debarred or otherwise declared ineligible. A "contractor," as used in this subsection, shall mean an individual or entity engaged by Columbia or its agents for the purpose of rendering health care services or for the processing, generation and/or submission of reimbursement claims to the Federal health care programs; provided that this term shall not include any individual or entity employed or engaged by a contractor. However, Columbia shall demand assurances from its prospective contractors, or from contractors with which it renews contracts, that such contractors shall not utilize any Ineligible Person related to its engagement with Columbia.

2 SCREENING REQUIREMENTS. Columbia shall not knowingly hire as employees or engage as a Provider or contractor any Ineligible Person. To prevent hiring or contracting with any Ineligible Person, Columbia shall screen all prospective employees, Providers and contractors prior to engaging their services by: (i) requiring applicants to disclose whether they are Ineligible Persons; and (ii) appropriately querying the General Services Administration's List of Parties Excluded from Federal Programs (available through the Internet at http://epls.arnet.gov) and the HHS/OIG List of Excluded Individuals/Entities (available through the Internet at http://oig.hhs.gov) (these lists shall hereinafter be referred to as the "Exclusion Lists"). Nothing in this Section affects the responsibility of (or liability for) Columbia to refrain from billing Federal health care programs for services of the Ineligible Person.

3. REVIEW AND REMOVAL REQUIREMENT. Within 90 days after the Effective Date of this ICA, Columbia shall review its list of current employees, Providers and contractors against the Exclusion Lists. Thereafter,

Columbia shall review the list annually. In addition, Columbia shall require employees, Providers and new contractors or contractors with which Columbia renews contracts, to disclose immediately any debarment, suspension, exclusion, or other event that makes any such individual, including physicians with staff privileges, an Ineligible Person.

If Columbia has notice that an employee, Provider, or contractor has become an Ineligible Person, Columbia shall remove such person from responsibility for, or involvement with, Columbia's business operations related to the Federal health care programs and shall remove such person from any position for which the person's compensation or the items or services rendered, ordered, or prescribed by the person are paid in whole or part, directly or indirectly, by Federal health care programs or otherwise with Federal funds at least until such time as the person is reinstated into participation in the Federal health care programs. For the purposes of this ICA, Columbia shall be considered to have "notice" of only verified information that is within the actual current knowledge of any member of the Compliance Committee or which such persons should have known through the exercise of reasonable diligence.

4. PENDING CHARGES AND PROPOSED EXCLUSION. If Columbia has actual notice that an employee, provider, contractor, or physician with staff privileges is charged with a criminal offense related to any Federal health care program, or is proposed for exclusion during his or her employment or contract or, in the case of a physician, during the term of the physician's medical staff privileges, Columbia shall take all appropriate actions to ensure that the responsibilities of that individual have not and shall not adversely affect the quality of care rendered to any beneficiary, patient or resident, or the accuracy of any claims submitted to any Federal health care program.

H. NOTIFICATION OF GOVERNMENT INVESTIGATION OR LEGAL PROCEEDINGS

Within 30 days after discovery, Columbia shall notify OIG, in writing, of any ongoing investigation or legal proceeding conducted or brought by a governmental entity or its agents involving an allegation that Columbia has committed a crime or has engaged in fraudulent activities involving Federal health care programs. This notification shall include a description of the allegation, the identity of the investigating or prosecuting agency, and the status of such investigation or legal proceeding. Columbia shall also provide written notice to OIG within 30 days after the resolution of the matter, and shall provide OIG with a description of the findings and/or results of the proceedings, if any.

IV. OIG INSPECTION, AUDIT AND REVIEW RIGHTS

In addition to any other rights OIG may have by statute, regulation, or contract, OIG or its duly authorized representative(s) may examine or request copies of Columbia's books, records, and other documents and supporting materials and/or conduct on-site reviews of any of Columbia's locations for the purpose of verifying and evaluating: (a) Columbia's compliance with the terms of this ICA; and (b) Columbia's compliance with the requirements of the Federal health care programs in which it participates. The documentation described above shall be made available by Columbia to OIG or its duly authorized representative(s) at all reasonable times for inspection, audit or reproduction. Columbia shall have the right to have representatives present at the time of OIG's onsite examination of documents. Nothing in this Section requires Columbia to provide OIG or its agents with any legally privileged documents. Furthermore, for purposes of this provision, OIG or its duly authorized representative(s) may interview any of Columbia's employees, contractors, or agents who consent to be interviewed at the individual's place of business during normal business hours or at such other place and time as may be mutually agreed upon between the individual and OIG. Columbia agrees to assist OIG or its duly authorized representative(s) in contacting and arranging interviews with such individuals upon OIG's request. Columbia's employees may elect to be interviewed with or without a representative of Columbia present.

V. IMPLEMENTATION AND ANNUAL REPORTS

A. IMPLEMENTATION REPORT

Within150 days after the Effective Date of this ICA, Columbia shall submit a written report to OIG summarizing the status of its implementation of the requirements of this ICA. To the extent the following information has not been provided to OIG, this Implementation Report shall include:

1. the names and positions of the members of the Compliance Committee required by Section III.A;

2. the name, address, phone number, and position description of the Compliance Officer required by Section III.B, and a summary of other noncompliance job responsibilities the Compliance Officer may have;

3. a copy of Columbia's Code of Conduct required by Section III.C.1;

4. a summary of the Policies and Procedures required by Section III.C.2 or a copy of the Policies and Procedures;

5. a description of the training programs required by Section III.D, including a description of the targeted audiences and a schedule of the dates on which the training sessions were held;

6. a certification by the Compliance Officer that, to the best of his or her knowledge and upon reasonable efforts and inquiry, the actions described in Sections III.C and III.D.1 of this ICA have taken place. The documentation supporting this certification shall be available to OIG, upon request;

7. a description of the confidential disclosure mechanisms required by Section III.F;

8. a summary of personnel actions taken pursuant to Section III.G;

9. the identity of the IRO, a summary/description of all engagements between Columbia and the IRO, including, but not limited to, any outside financial audits or reimbursement consulting, and the proposed start and completion dates of any review performed by the IRO. The IRO shall provide a certification regarding its professional independence and/or objectivity from Columbia; and

10. a description of Columbia's corporate structure.

B. <u>ANNUAL REPORTS</u>

Columbia shall submit to OIG Annual Reports with respect to the status of, and findings regarding, Columbia's compliance activities for each of the 5 one-year periods beginning on the Effective Date of the ICA. In accordance with the provisions above, the Annual Reports shall include the following information:

1. in the first Annual Report, copies of the document or documents that comprise Columbia's most recent Billing Compliance Plan, as adopted by Columbia and implemented by the Compliance Committee and the Compliance Officer. For subsequent years, Columbia shall note in the Annual Report any amendments or revisions to the Billing Compliance Plan documents made during the period covered by the Annual Report;

2. any change in the identity, position, or duties of the Compliance Officer and/or the positions that comprise the Compliance Committee, as set forth in Sections III.A and III.B;

3. copies of any revisions or amendments (including the reason(s) for the change(s)) made to the Code of Conduct or the Policies and Procedures used or followed in the generation of claims submitted to the Federal health care programs during the period covered by the Annual Report pursuant to Section III.C;

4. a description of the Training and Education activities engaged in pursuant to Section III.D and a summary of the activities undertaken to implement

this program, including schedules, topic outlines of the training sessions, and lists of the participants. Additionally, Columbia shall include a certification by the Compliance Officer that the education and training activities required under this ICA have taken place;

5. a summary of the findings made during the reviews conducted pursuant to Section III.E relating to the year covered by the Annual Report; a copy of the report prepared by the IRO concerning Columbia's performance of the agreed upon procedures; copies of any disclosures or notice documents prepared by Columbia pursuant to that Section; and a description of the corrective steps and proof of refund to the pertinent payor (where applicable);

6. a report of the aggregate Overpayments that have been returned to the Federal health care programs. Overpayment amounts shall be broken down into the following categories: inpatient Medicare, outpatient Medicare, Medicaid (report each state separately, if applicable), and other Federal health care programs. Overpayment amounts that are routinely reconciled or adjusted pursuant to policies and procedures established by the payor do not need to be included in the aggregate Overpayment report;

7. a summary of all material billing deficiencies reported during the period of the Annual Report pursuant to Section III.E;

8. a summary of communications (including the number of disclosures by employees and the dates of disclosure) received through the Confidential Disclosure Program established pursuant to Section III.F that a) relate to Federal health care programs, or b) allege abuse or neglect of patients, and the results of all investigations, internal reviews, and any follow up on such disclosures;

9. a written description of any personnel action (other than hiring) taken by Columbia as a result of the obligations in Section III.G and the name, title, and responsibilities of any person who is determined to be an Ineligible Person under Section III.G, and the actions taken in response to the obligations set forth in that Section; and

10. a summary describing any ongoing investigation, audit, or legal proceeding conducted or brought by a governmental entity involving an allegation, made known to Columbia by such entity, that Columbia has committed a crime or has engaged in fraudulent activities involving Federal health care programs. The statement shall include a description of Columbia's understanding of the allegation, the identity of the investigating or prosecuting agency, and the status of such investigation, legal proceeding or requests for information.

The first Annual Report shall be received by OIG no later than 60 days after the end of the first annual reporting period. Subsequent Annual Reports shall be received no later than the anniversary date of the due date of the first Annual Report.

C. CERTIFICATIONS

The Implementation Report and Annual Reports shall include a certification by the Compliance Officer that: (1) to the best of his or her belief and, upon reasonable inquiry, Columbia is in compliance with all of the requirements of this ICA; and (2) the Compliance Officer has reviewed the Annual Report and has made a reasonable inquiry regarding its content and believes that, upon such an inquiry, the information is accurate and truthful.

D. DESIGNATION OF INFORMATION

Columbia shall clearly identify any portions of its submissions that it believes are trade secrets, or information that is commercial or financial and privileged or confidential, and therefore potentially exempt from disclosure under the Freedom of Information of Act ("FOIA"), 5 U.S.C. § 552. Columbia shall refrain from identifying any information as exempt from disclosure if that information does not meet the criteria for exemption from disclosure under FOIA.

VI. NOTIFICATIONS AND SUBMISSION OF REPORTS

Unless otherwise stated in writing subsequent to the Effective Date of this ICA, all notifications and reports required under the terms of this ICA shall be submitted to the entities listed below:

ATTENTION: Administrative and Civil Remedies Branch
Office of Counsel to the Inspector General
Office of Inspector General
U.S. Department of Health and Human Services
330 Independence Avenue, SW
Cohen Building, Room 5527
Washington, DC 20201
Telephone 202-619-2078
Facsimile 202-205-0604

ATTENTION: James S. Lieberman, M.D.
Senior Associate Dean and Director of Compliance
Columbia University College of Physicians and Surgeons
630 168th Street
New York, NY 10032
Telephone 212-305-4818
Facsimile 212-864-4947

Unless otherwise specified, all notifications and reports required by this ICA may be made by certified mail, overnight mail, hand delivery or other means, provided that there is proof that such notification was received. For the purposes of this requirement, internal facsimile confirmation sheets do not constitute proof of receipt.

VII. DOCUMENT AND RECORD RETENTION

Columbia shall maintain for inspection all documents and records relating to its compliance with the obligations in this ICA, as well as those relating to the reimbursement claims submitted to the Federal health care programs during the term of this ICA for a period of six (6) years following the execution of this ICA (or longer if otherwise required by law).

VIII. BREACH AND DEFAULT

Columbia's compliance with the terms and conditions in this ICA shall constitute an element of Columbia's present responsibility with regard to participation in the Federal health care programs. Full and timely compliance by Columbia shall be expected throughout the duration of this ICA with respect to all of the obligations herein agreed to by Columbia.

A. STIPULATED PENALTIES FOR FAILURE TO COMPLY WITH CERTAIN OBLIGATIONS

As a contractual remedy, Columbia and OIG hereby agree that failure to comply with certain obligations set forth in this ICA may lead to the imposition of specific monetary penalties (hereinafter referred to as "Stipulated Penalties") in accordance with the following provisions.

1. A Stipulated Penalty of $2,500 for each day Provider fails to comply with any of the following, which Stipulated Penalty shall begin to accrue one day after the date the obligation becomes due:

   a. Submission of the complete Annual Report, in accordance with the requirements in Section V.B, by the due date established in Section V.B;

b. Confirmation of the existence of a Compliance Officer in the Implementation Report as required under Section V.A; and

c. Confirmation of the existence of a Compliance Committee in the Implementation Report as required under Section V.A.

2. A Stipulated Penalty of $2,500 for each day Columbia fails to comply by having in force during the term of this ICA any of the following, which Stipulated Penalty shall begin to accrue on the date of OIG's notice of noncompliance, in accordance with Section VIII.B below:

a. the Billing Compliance Plan adopted pursuant to Section III of this ICA;

b. the Compliance Committee and the Compliance Officer, discharging their respective duties, as required under Sections III.A and III.B of this ICA;

c. the training and education activities required under Section III.D of this ICA; and

d. the Confidential Disclosure requirements under Section III.F of this ICA.

3. A Stipulated Penalty of $1,500 for each day Columbia fails to grant reasonable access to the information or documentation necessary to exercise OIG's inspection, audit and review rights set forth in Section IV of this ICA, which Stipulated Penalty shall begin to accrue on the date Columbia fails to grant access.

4. A Stipulated Penalty of $2,000 (which shall begin to accrue on the date the failure to comply began unless otherwise noted) for each day Columbia:

a. hires or enters into a contract with an Ineligible Person after the date upon which that person has been listed on the Exclusion Lists by a federal agency as excluded, debarred, suspended or otherwise ineligible for participation in the Federal health care programs, and Columbia had or should have had notice, as defined in Section III.G.3, of such exclusion, debarment or suspension; this Stipulated Penalty shall not be demanded for any time period during which Columbia can demonstrate that it did not discover the person's exclusion or other ineligibility after making a

reasonable inquiry (as described in Section III.G) as to the status of the person;

b. continues to employ or contract with a person who becomes an Ineligible Person, after Columbia had notice, as defined in Section III.G.3, that such person had become an Ineligible Person and that person: (i) has responsibility for, or involvement with, Columbia's business operations related to the Federal health care programs; or (ii) is in a position for which the person's salary or the items or services rendered, ordered, or prescribed by the person are paid in whole or part, directly or indirectly, by Federal health care programs or otherwise with federal funds; this Stipulated Penalty shall not be demanded for any time period during which Columbia can demonstrate that it did not discover the person's exclusion or other ineligibility after making a reasonable inquiry (as described in Section III.G) as to the status of the person; or

c. fails to take action or engage in the required activities in accordance with subsection III.G.4 above; this Stipulated Penalty shall not be demanded for any period before ten (10) days after Columbia's receipt of OIG's notice of noncompliance.

5. A Stipulated Penalty of $1,000 (which shall begin to accrue ten (10) days after the date of receipt of OIG's notice of noncompliance in accordance with Section VIII.C) for each day Columbia fails to comply with any other requirement in this ICA, which is not covered by provisions 1, 2, 3 and 4 of this Section VIII.A. In its notice to Columbia, OIG shall state the specific grounds for its determination of noncompliance.

B. **TIMELY WRITTEN REQUESTS FOR EXTENSIONS**. Columbia may, in advance of the due date, submit a timely written request for an extension of time to perform any act or file any notification or report required by this ICA. Notwithstanding any other provision in this Section, if OIG grants the timely written request with respect to an act, notification, or report, Columbia shall not be in default under this ICA and Stipulated Penalties for failure to perform the act or file the notification or report shall not begin to accrue until one day after Columbia fails to meet the revised deadline set by OIG. Notwithstanding any other provision in this Section, if OIG denies such a timely written request, Columbia shall not be in default under this ICA and Stipulated Penalties for failure to perform the act or file the notification or report shall not begin to accrue until three business days after Columbia receives OIG's written denial of such request or the original due date, whichever is later. A "timely written request" is defined as a request in

writing received by OIG at least five business days prior to the date by which any act is due to be performed or any notification or report is due to be filed.

C. PAYMENT OF STIPULATED PENALTIES

Upon finding that Columbia has failed to comply with any of the above-enumerated obligations, OIG may choose to demand payment of the Stipulated Penalties above. To effectuate the demand, OIG shall notify Columbia in writing of: (i) Columbia's failure to comply; (ii) the specific grounds for its determination of noncompliance; and (iii) OIG's decision to exercise its contractual right to demand payment of the Stipulated Penalties payable under this ICA. This notification is hereinafter referred to as the "Demand Letter."

Within ten (10) days after receipt of the Demand Letter, Columbia shall respond by either: (i) curing the breach to OIG's satisfaction, paying the applicable Stipulated Penalties, if any, and notifying OIG of its corrective actions; or (ii) sending in writing to OIG a request for a hearing before an HHS administrative law judge ("ALJ") to dispute OIG's determination of noncompliance, pursuant to the agreed upon provisions set forth in Section VIII.D of this ICA. In the event Columbia elects to request an ALJ hearing, the Stipulated Penalties shall continue to accrue until Columbia cures, to OIG's satisfaction, the alleged breach in dispute. Failure to respond to the Demand Letter shall be considered a material breach of this ICA and shall be grounds for exclusion under Section VIII.D, below.

Payment of the Stipulated Penalties shall be made by certified or cashier's check, payable to "Secretary of the Department of Health and Human Services," and submitted to OIG at the address set forth in Section VI of this ICA.

Except as otherwise noted, these provisions for payment of Stipulated Penalties shall not affect or otherwise set a standard for OIG's determination that Columbia has materially breached this ICA, which decision shall be made at OIG's discretion and governed by the provisions in Section VIII.D, below.

D. REMEDIES FOR MATERIAL BREACH OF THIS ICA

If Columbia engages in conduct that OIG determines to be a material breach of this ICA, OIG may seek the exclusion of Columbia from participation in the Federal health care programs. Upon making its determination, OIG shall notify Columbia of the alleged material breach by certified mail, stating the specific grounds for its determination, and expressing its intent to exclude Columbia as a result thereof. This letter shall be referred to hereinafter as the "Notice of Material Breach and Intent to Exclude." Columbia shall have thirty (30) days from the date of receipt of the letter to:

1. demonstrate to OIG's satisfaction that Columbia is in full compliance with this ICA;

2. cure the alleged material breach; or

3. demonstrate to OIG's reasonable satisfaction that the alleged material breach cannot be cured within the thirty (30) day period, but that Columbia has begun to take action to cure the material breach and that it shall pursue such an action with due diligence. Columbia shall, at this time, submit a timetable for curing the material breach for OIG's approval.

If at the conclusion of the thirty-day period (or such other specific period as subsequently agreed to by OIG and Columbia), Columbia fails to meet the requirements of provisions 1, 2 or 3 above, OIG may exclude Columbia from participation in the Federal health care programs. OIG shall notify Columbia by certified mail of its determination to exclude Columbia. This letter shall be referred to hereinafter as the "Exclusion Letter."

Notwithstanding any provisions in Chapter 42 of the Code of Federal Regulations, the exclusion pursuant to this ICA shall take effect thirty (30) days following the date of the Exclusion Letter unless, during such a period, Columbia exercises its contractual right to seek review of OIG's exclusion determination by requesting a hearing before an administrative law judge as provided in Section VIII.E, below. In the event Columbia requests such a hearing, the exclusion shall not be effective unless and until an administrative law judge issues a decision supporting OIG's exclusion determination. The exclusion of Columbia shall have national effect and shall also apply to all other federal procurement and non-procurement programs. If Columbia is excluded pursuant to this ICA, it may seek reinstatement in accordance with 42 C.F.R. §§ 1001.3001-1001.3004.

For purposes of this Section, a "material breach" shall mean: (i) a failure to report a material billing deficiency, take corrective action and pay the appropriate refunds, as provided in Section III.E of this ICA; (ii) repeated or flagrant violations of the obligations under this ICA, including, but not limited to, the obligations addressed in Section VIII.A of this ICA; or (iii) failure to respond to a Demand Letter concerning the payment of Stipulated Penalties in accordance with Section VIII.B above.

In connection with OIG's determination to exclude Columbia pursuant to this provision, Columbia shall have the right to dispute OIG's determination in accordance with the agreed-upon provisions set forth in Section VIII.E of this ICA.

E. DISPUTE RESOLUTION

Upon OIG's delivery to Columbia of its Demand Letter or of its Exclusion Letter,

and as an agreed-upon contractual remedy for the resolution of disputes arising under this ICA, Columbia shall be afforded certain review rights comparable to the ones that are provided in 42 U.S.C. § 1320a-7(f) and 42 C.F.R. Part 1005 as if they applied to the Stipulated Penalties or exclusion sought pursuant to this ICA. Specifically, OIG's determination to demand payment of Stipulated Penalties or to seek exclusion shall be subject to review by an HHS ALJ and, in the event of an appeal, the HHS Departmental Appeals Board ("DAB"), in a manner consistent with the provisions in 42 C.F.R. §§ 1005.2-1005.21. Notwithstanding the language in 42 C.F.R. §1005.2(c), the request for a hearing involving Stipulated Penalties shall be made within 10 days after receipt of the Demand Letter and the request for a hearing involving exclusion shall be made within 25 days after receipt of the Exclusion Letter.

Notwithstanding any provision of Title 42 of the United States Code or Chapter 42 of the Code of Federal Regulations, the only issues in a proceeding for Stipulated Penalties under this ICA shall be: (a) whether Columbia was in full and timely compliance with the obligations of this ICA for which OIG demands payment; and (b) the period of noncompliance. Columbia shall have the burden of proving its full and timely compliance and the steps taken to cure the noncompliance, if any. OIG shall not have the right to appeal to the DAB an adverse ALJ decision related to Stipulated Penalties. If the ALJ agrees with OIG with regard to a finding of a breach of this ICA and orders Columbia to pay Stipulated Penalties, such Stipulated Penalties shall become due and payable 20 days after the ALJ issues such a decision unless Columbia requests review of the ALJ decision by the DAB. If the ALJ decision is properly appealed to the DAB and the DAB upholds the determination of OIG, the Stipulated Penalties shall become due and payable 20 days after the DAB issues its decision.

Notwithstanding any provision of Title 42 of the United States Code or Chapter 42 of the Code of Federal Regulations, the only issues in a proceeding for exclusion based on a material breach of this ICA shall be:

a. whether Columbia was in material breach of this ICA;

b. whether such breach was continuing on the date of the Exclusion Letter; and

c. whether the alleged material breach could not have been cured within the 30-day period, but that: (i) Columbia had begun to take action to cure the material breach within that period; (ii) Columbia has pursued and is pursuing such action with due diligence; and (iii) Columbia provided to OIG within that period a reasonable timetable for curing the material breach and Columbia has followed the timetable.

For the purposes of the exclusion herein, exclusion shall take effect only after an ALJ decision favorable to OIG, or, if the ALJ rules for Columbia, only after a

DAB decision in favor of OIG. Columbia's election of its contractual right to appeal to the DAB shall not abrogate OIG's authority to exclude Columbia upon the issuance of an ALJ's decision in favor of OIG. If the ALJ sustains the determination of OIG and determines that exclusion is authorized, such exclusion shall take effect 20 days after the ALJ issues such a decision, notwithstanding that Columbia may request review of the ALJ decision by the DAB. If the DAB finds in favor of OIG after an ALJ decision adverse to OIG, the exclusion shall take effect 20 days after the DAB decision. Columbia shall waive its right to any notice of such an exclusion if a decision upholding the exclusion is rendered by the ALJ or DAB. If the DAB finds in favor of Columbia, Columbia shall be reinstated effective on the date of the original exclusion.

The review by an ALJ or DAB provided for above shall not be considered to be an appeal right arising under any statutes or regulations. Consequently, the parties to this ICA agree that the DAB's decision (or the ALJ's decision if not appealed) shall be considered final for all purposes under this ICA.

IX. PRIVILEGES AND DISCLOSURES

Nothing in this ICA shall constitute or be construed as a waiver by Columbia of its attorney-client or other applicable privileges. Subject to HHS's Freedom of Information Act ("FOIA") procedures and definitions set forth in 45 C.F.R. Part 5, OIG shall make a reasonable effort to notify Columbia prior to any release by OIG of information submitted by Columbia pursuant to its obligations under this ICA and identified upon submission by Columbia as trade secrets, or information that is commercial or financial and privileged or confidential, under the FOIA rules. With respect to such releases, Columbia shall have the rights set forth at 45 C.F.R. § 5.65(d).

X. EFFECTIVE AND BINDING AGREEMENT

Consistent with the provisions in the Agreement pursuant to which this ICA is entered, and into which this ICA is incorporated by reference, Columbia and OIG agree as follows:

A. This ICA shall be binding on the successors, assigns and transferees of Columbia that assume responsibility for submitting claims to the Federal health care programs for professional medical services rendered to Columbia patients by physicians and other health care providers who, for purposes of providing such professional services, are employed by Columbia or who are independent contractors with Columbia. This ICA shall also be binding on any entity owned or controlled by Columbia that assumes responsibility for billing for professional services rendered by Columbia's physician faculty members.

B. This ICA shall become final and binding only upon signing by each respective party hereto, and may be executed in counterparts;

C. Any modifications to this ICA may be made only by a writing signed by the parties to this ICA; and

D. The undersigned Columbia signatory represents and warrants that he is authorized to execute this ICA on behalf of Columbia. The undersigned OIG signatory represents that he is signing this ICA in his official capacity and that he is authorized to execute this ICA on behalf of OIG.

ON BEHALF OF COLUMBIA UNIVERSITY

GERALD D. FISCHBACH, M.D.
Executive Vice President for
Health and Biomedical Sciences and
Dean of the Faculty of Medicine

12/17/02
DATE

ON BEHALF OF THE OFFICE OF INSPECTOR GENERAL
OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

LEWIS MORRIS
Chief Counsel to the Inspector General
Office of Inspector General
U. S. Department of Health and Human Services

12/17/02
DATE

ATTACHMENT A
Review Guidelines

I. Policy

Columbia University will utilize reliable and effective methods to monitor and review clinical documentation in an effort to verify the accuracy of reimbursement claims for obstetrical services delivered at the Allen Pavilion. The Office of Billing Compliance will compile the outcomes of these reviews. Based on the results of these reviews, corrective action may be initiated, including, where appropriate, mandatory education on specific documentation deficiencies and, in all instances, repayment of any identified overpayments for services that lack sufficient documentation to support reimbursement claim submissions or are otherwise non-reimbursable. The repayment of any overpayment or other refund will be made in accordance with the provisions of Section III.E. of the Institutional Compliance Agreement.

II. Procedures for Conducting Chart Reviews

A. Introduction

The Office of Billing Compliance, under the direction of the Chief Compliance Officer, shall review billing and reimbursement support documentation and medical record documentation of all physician or ancillary health providers (the "Provider") of obstetrical services at the Allen Pavilion to ensure compliance with the billing requirements of the Federal health care programs (the "Review"). The Review shall be designed and implemented to maximize the effectiveness of the Review and minimize the risk of undetected billing errors. The Review will consist of a minimum of 10 encounters per provider over a 12 month period representing outpatient, inpatient and surgical billing as detailed below.

B. Review Schedule

The Office of Billing Compliance will prepare a work plan for the reviews and set a scheduled completion date for the reviews. The work plan shall be reviewed and approved by the Chief Compliance Officer who will guide the routine Review process.

C. Sample Selection Process

1. Data sources for selection of encounters to be included in the Review include accounts receivable, billing software used by the Providers and/or any billing services used by Providers.

2. Selection of the encounters to be included in the Review will be taken from the total pool of services for obstetrical services at the Allen Pavilion billed to Federal health care programs for bills exceeding one dollar ($1) for professional services rendered during the relevant Review period.

3. The encounters will be selected to target representative aspects of the individual Provider's practice. Selection may include inpatient, outpatient, and surgical procedures as is pertinent to the segment selected for audit.

   i. The Review will be conducted to target specific areas of billing by risk or Review effectiveness. The selection of the review sample is not random, but rather judgmental, based on several factors including a review of billing records.

   ii. The selection process shall be guided by current directives applicable to billing the Federal healthcare guidelines, including but not limited to the OIG work plan, changes in CPT and ICD-9 coding and CMS correct coding initiatives. In addition, a significant factor in the selection of the Review sample shall be any previous recommendations or findings from the Review process for the individual provider or within the Allen Pavilion obstetrics practice.

   iii. The Review sample is selected without the knowledge of the Department of Obstetrics and Gynecology or the physicians or Providers.

III. Review Procedure

Claims for E&M services will be reviewed using specific audit tools for the scoring of E&M services. Claims for both E&M services and non-E&M services will be reviewed based upon the standard accepted principles for coding based on CPT and ICD-9 guidelines. Medicaid claims for both E&M and non-E&M services will be reviewed based on applicable documentation criteria. Where applicable, special attention will be paid to the requirements for supervising

physicians in teaching settings Copies of these audit tools shall be available to OIG upon request.

IV. Follow-Up and Corrective Action Plan

A. Evaluation of Review Results

The Office of Billing Compliance shall evaluate the Review results to determine whether the Provider 's documentation is acceptable or whether follow-up education of the Provider is necessary.

B. Notice to Providers

The Office of Billing Compliance will provide written notification to each Provider of the results of the Review. Notification shall also be provided to the Chair of the Department of Obstetrics and Gynecology. Each Provider will be given the opportunity to provide additional documentation for further consideration by the Office of Billing Compliance, which materials will be included in the Review work papers.

C. Refunds

When results of the Review reveal that any bills have been submitted in error, the Office of Billing Compliance will ensure that appropriate refunds are made within 60 days.

D. Follow-Up Reviews

In the event that any Review reveals billing or coding deficiencies that require additional analysis, the Office of Billing Compliance will notify the Chair of Obstetrics and Gynecology and the involved Provider. A more focused review of billing for the involved Provider will be completed under the direction of the Office of Billing Compliance.

1. When results of any Follow-Up reveal that any bills have been submitted in error, the Office of Billing Compliance will ensure that appropriate refunds are made within 60 days.

2. In the event that any Follow-Up Review identifies a Material Billing Deficiency (as defined in Section III.E.2 of the Institutional Compliance Agreement) the Office of Billing Compliance shall conduct a special

review in accordance with the provisions set forth in Attachment B (Special Review Guidelines) of the Institutional Compliance Agreement.

E. Corrective Action

When compliance issues are identified with respect to Providers, the Dean of the School of Medicine and the Department Chair, in consultation with the Chief Compliance Officer, are responsible for imposing the appropriate remedies and sanction pursuant to University rules. The University's existing remedial and disciplinary mechanisms for violations of billing compliance policies and procedures include letters of counseling, letters of reprimand, suspension of billing privileges and termination.

F. Education

When compliance issues are identified with respect to Providers, the Office of Billing Compliance shall be responsible for arranging the appropriate mandatory education that will focus on these specific issues. Providers who require such mandatory follow-up education shall receive written notification of this requirement from the Office of Billing Compliance.

G. Internal Reliability Validation

In order to ensure accuracy in the Review process and as part of the Review process, the Office of Billing Compliance has established an internal control structure that provides for systematic supervisory review of an auditor's non-compliant Review findings and for periodic confirmation of the auditor's compliant Review findings.

H. Reports

The Office of Billing Compliance will oversee the Review process and will prepare a full and timely report detailing the results of the Reviews to be provided to the Dean of the School of Medicine and the Chief Compliance Officer. The Office of Billing Compliance will maintain a detailed summary record of Review outcomes by provider.

ATTACHMENT B: SPECIAL REVIEW GUIDELINES

A. BASIC INFORMATION. In documenting the special reviews pursuant to Section III.E of the Institutional Compliance Agreement, Columbia shall provide for the following:

1. Review Objective: A statement clearly articulating the objective of the review and the review procedure or combination of procedures applied to achieve the objective.

2. Review Population: A statement identifying the population, which is the group about which the information is needed. In addition, there should be an explanation of the methodology used to develop the population and the basis for this determination.

3. Sources of Data: A full description of the source of the information upon which the review will be based, including the legal or other standards to be applied, the sources of payment data and the documents that will be relied upon (e.g., employment contracts, compensation packages or formulae).

4. Personnel Qualifications: The names and titles of those individuals involved in any aspect of the review, including statisticians, accountants, auditors, consultants and medical reviewers, and their qualifications.

B. SAMPLE ELEMENTS. In documenting the selection and use of samples in the special reviews, Columbia shall provide for the following:

1. Sampling Unit: A definition of the sampling unit, which is any of the designated elements that comprise the population of interest.

2. Sampling Frame: Identification of the sampling frame, which is the totality of the sampling units from which the sample will be selected. In addition, the plan should document how the review population differs from the sampling frame and what effect this difference has on conclusions reached as a result of this review.

3. Sample Size: A description of both the probe sample (if one is used) and the full sample, including the sample's level of confidence and precision.

4. Random Numbers: Written assurance that all probe samples and samples used were selected through random numbers. The source of the random numbers used must be described. For this task, OIG strongly recommends the use of its Office of Audit Services' Statistical Sampling Software, also known as "RAT-STATS," which is currently available through the "internet" at *http://www.oig.hhs.gov/progorg/oas/ratstat.html*, free of charge.

5. Sample Design: Unless Columbia demonstrates the need to use a different sample design, the review should use simple random sampling. If necessary, Columbia may use stratified or multistage sampling. Details about the strata, stages and clusters should be included.

6. Characteristics Measured by the Sample: A statement identifying the characteristics used for testing each sample item. For example, in a sample drawn to estimate the value of overpayments due to duplicate payments, the characteristics under consideration are the conditions that must exist for a sample item to be a duplicate. The amount of the duplicate payment is the measurement of the overpayment. This description must also contain the decision rules for determining whether a sample item entirely meets the criterion for having characteristics or only partially meets the criterion.

7. Missing Sample Items: An explanation of how missing sample items were handled and the rationale.

8. Other Evidence: Although sample results should stand on their own in terms of validity, sample results may be combined with other evidence in arriving at specific conclusions. If appropriate, indicate what other substantiating or corroborating evidence was developed.

9. Estimation Methodology: Because the general purpose of the review is to estimate the monetary losses to the Federal health care programs, the methodology to be used must be variables sampling using the difference estimator. To estimate the amount implicated in the matter discovered, Columbia must use the mean point estimate. The use of RAT-STATS to calculate the estimates is strongly recommended.

ATTACHMENT C

OVERPAYMENT REFUND

TO BE COMPLETED BY MEDICARE CONTRACTOR

Date:_____
Contractor Deposit Control #_____ Date of Deposit: _____
Contractor Contact Name:_____Phone #_____
Contractor Address:_____
Contractor Fax:_____

TO BE COMPLETED BY PROVIDER/PHYSICIAN/SUPPLIER

Please complete and forward to Medicare Contractor. This form, or a similar document containing the following information, should accompany every voluntary refund so that receipt of check is properly recorded and applied.

PROVIDER/PHYSICIAN/SUPPLIERNAME_____
ADDRESS_____
PROVIDER/PHYSICIAN/SUPPLIER #_____CHECK NUMBER#_____
CONTACT PERSON:_____PHONE #_____
AMOUNT OF CHECK $_____ CHECK DATE_____

REFUND INFORMATION

For each Claim, provide the following:
Patient Name_____HIC #_____
Medicare Claim Number_____Claim Amount Refunded $_____
Reason Code for Claim Adjustment:_____ (Select reason code from list below. Use one reaso
n per claim)

(Please list all claim numbers involved. Attach separate sheet, if necessary)

*Note: If Specific Patient/HIC/Claim #/Claim Amount data not available for all claims due to Statistical Sampling, please indicate methodology and formula used to determine amount and reason for overpayment:*_____

For Institutional Facilities Only:
Cost Report Year(s) _____
(If multiple cost report years are involved, provide a breakdown by amount and corresponding cost report year.)

For OIG Reporting Requirements:
Do you have a Corporate Integrity Agreement with OIG? _____ Yes _____ No

Reason Codes:

Billing/Clerical Error	MSP/Other Payer Involvement	Miscellaneous
01 - Corrected Date of Service	08 - MSP Group Health Plan Insurance	13 - Insufficient Documentation
02 - Duplicate	09 - MSP No Fault Insurance	14 - Patient Enrolled in an HMO
03 - Corrected CPT Code	10 - MSP Liability Insurance	15 - Services Not Rendered
04 - Not Our Patient(s)	11 - MSP, Workers Comp.(Including Black Lung	16 - Medical Necessity
05 - Modifier Added/Removed	12 - Veterans Administration	17 - Other (Please Specify)
06 - Billed in Error		_____
07 - Corrected CPT Code		