



ANNUAL SAFETY AND COMPLIANCE 2026

Compliance Program and Ethics



COMPLIANCE PROGRAM AND ETHICS

Upon completion of the compliance and ethics training, you will:

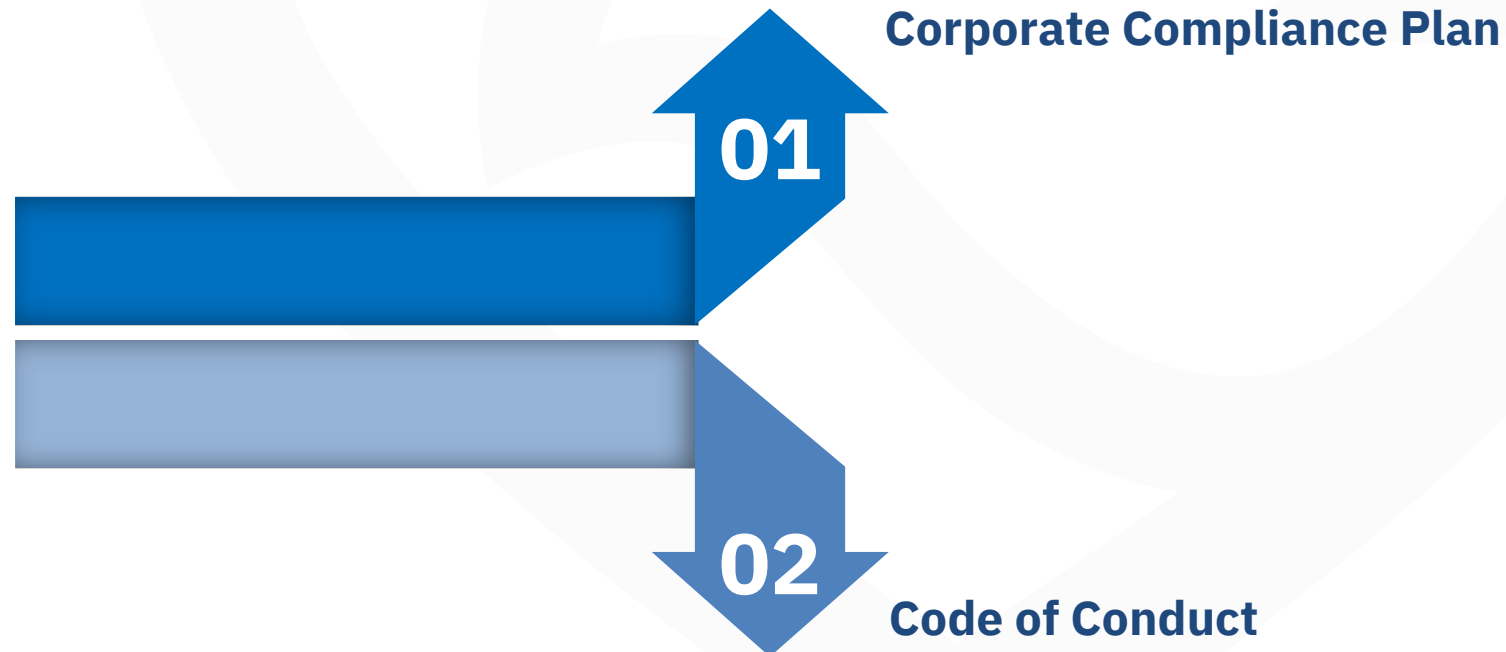
- Familiarize yourself with the Methodist Health Systems (MHS) Compliance Program
- Understand MHS Compliance Plan
- Commit MHS Code of Conduct
- Understand MHS's Commitment to Compliance
- Learn the Risks of Non-Compliance



COMPLIANCE PROGRAM AND ETHICS

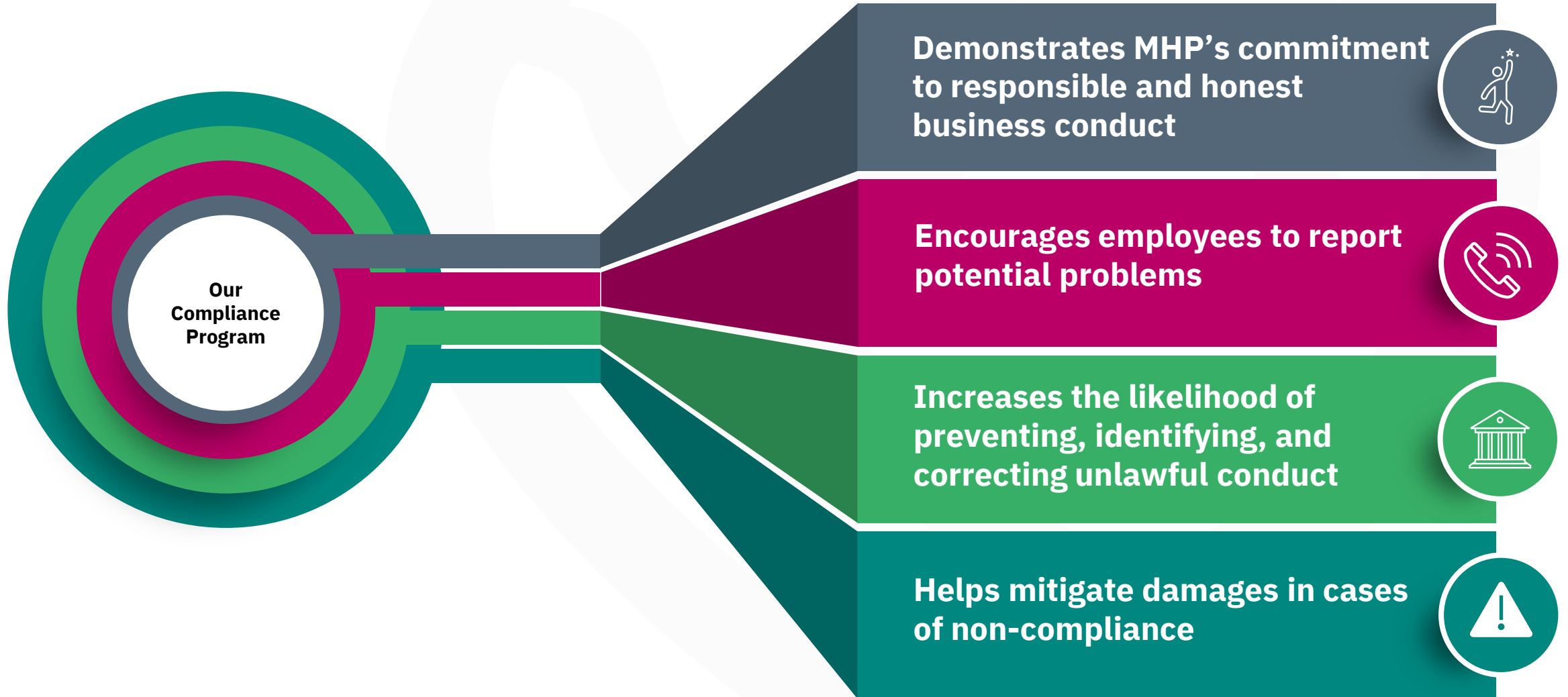
Our Corporate Compliance Program is designed to ensure MHP and our workforce members follow federal, state, and local laws and regulations, as well as internal policies and procedures.

The Corporate Compliance Program has two main parts:





COMPLIANCE PROGRAM AND ETHICS





COMPLIANCE PROGRAM AND ETHICS

These 7 Elements are based on recommendations from the Office of Inspector General (OIG) and are identified in the US Sentencing Guidelines as essential to an effective compliance program.

1. Standards, Policies, & Procedures
2. Compliance Program Oversight
3. Training & Education
4. Open Communication and Reporting Systems
5. Monitoring & Auditing
6. Corrective Action Plans
7. Discipline for Noncompliance



COMPLIANCE PROGRAM AND ETHICS

1. Standards, Policies, & Procedures

The foundational documents of the Corporate Compliance Program are the **Corporate Compliance Plan** and the **Code of Conduct**. While these two documents provide the foundation, many other policies support our compliance framework.

- Compliance Department Policies and Procedures
- Human Resources Policies and Procedures
- Department Policies and Procedures



COMPLIANCE PROGRAM AND ETHICS

1. Standards, Policies, & Procedures

Each play a critical role in shaping the culture of integrity and accountability.

Emphasis has been placed on the areas of:

- Financial billing and reimbursement
- Accreditation
- Conflicts of interest
- Physician relationships
- Quality of care
- Research ethics
- Gifts
- Confidentiality
- Non-discrimination
- Organizational values
- Ethical behavior



COMPLIANCE PROGRAM AND ETHICS

2. Compliance Program Oversight

Who's responsible for Compliance? We all Are – But Leadership Leads the Way

At MHP, Compliance isn't just a checkbox – it's a core value. And we've put strong leadership in place to make sure it stays that way.

The Audit and Compliance Committee of the MHS Board of Directors has been delegated oversight over the Corporate Compliance Program. The MHS Board appoints the Chief Compliance Officer; adopts and implements the Corporate Compliance Program and related policies, procedures, monitoring, and enforcement; and exercises final authority on all compliance matters.



COMPLIANCE PROGRAM AND ETHICS

2. Compliance Program Oversight

The Corporate Compliance Program is overseen by the Vice President of Compliance and the Chief Compliance Officer. The Vice President of Compliance will also delegate authority to assist with oversight activities.

Compliance is not a solo mission. It's a collaborative effort – with clear leadership, shared responsibility, and organization-wide engagement.



COMPLIANCE PROGRAM AND ETHICS

2. Compliance Program Oversight

You have options. We're here to listen and act.

Shari Flowers, General Counsel & VP Compliance

Paula Pittman, CHRO/VP Human Resources

Jen Anderson, Chief Compliance Officer

Anita Patterson, Privacy Officer

Lyndsay Lang, Director Employee Relations

Michael Kearns, Chief Information Security Officer



Your voice could
protect a patient, a
colleague, or
our entire
organization.



COMPLIANCE PROGRAM AND ETHICS

3. Training and Education

It's Part of Your Job and We've Got You Covered

At MHP, we don't expect you to know everything, but we do expect you to stay informed and ask questions. That's why we've built multiple ways to help you understand what compliance means to **you and your role**.

All MHS Staff and agents are expected to:

- Understand the Compliance obligations that apply to your specific job
- Stay up to date on policy changes and best practices
- Speak up if something doesn't look/feel right

For additional compliance training, please talk to your supervisor or contact the Compliance Department.



Compliance isn't about memorizing laws – it's about knowing what to do when you see something that doesn't look right.



COMPLIANCE PROGRAM AND ETHICS

4. Open Communication and Reporting Systems

If you See Something Wrong, Say Something

All employees and agents of MHP who have firsthand knowledge of activities or omissions that may violate applicable laws, regulations, the Code of Conduct, policies, or professional standards have an affirmative obligation to report such wrongdoing.

We know it takes courage to raise a concern. That's why we have a strict no-retaliation policy. If you make a report in good faith, even if it turns out to be a misunderstanding, you are protected from retaliation by MHP, its affiliates, and all employees or agents.



COMPLIANCE PROGRAM AND ETHICS

4. Open Communication and Reporting Systems

Your voice matters. Speaking up helps keep our patients safe, our workplace ethical and our mission strong.



COMPLIANCE PROGRAM AND ETHICS

4. Open Communication and Reporting Systems

If you're unsure about something related to the Corporate Compliance Program, don't guess, just ask.

Everyone is encouraged to contact their Supervisor, HR or the Compliance Department for clarification, guidance, or support regarding the Corporate Compliance Program. We're here to help you do the right thing with confidence.

If you believe a law, regulation, policy or ethical standard is being violated you are required to report it. Reporting isn't optional. It's part of our shared responsibility to protect patients, coworkers, and our mission.



COMPLIANCE PROGRAM AND ETHICS

4. Open Communication and Reporting Systems

If you're unsure about something related to the Corporate Compliance Program, don't guess, just ask.

No retaliation will be permitted against an employee making such a report. Employees making reports are encouraged to disclose their identity to allow a full and timely investigation of the concerns. However, anonymous reporting is an option. No report will be refused or treated less seriously because the reporter chooses not to be identified.



COMPLIANCE PROGRAM AND ETHICS

4. Open Communication and Reporting Systems

Reporting Compliance Issues:

Reporting is available for any Fraud, Compliance & Ethics, or Human Resource issues. Reporting is confidential and always available through an independent third party.

COMPLIANCE HOTLINE

1-877-640-0005 (English)

1-800-216-1288 (Spanish)

<https://www.lighthouse-services.com/reporting-hotlines/>





COMPLIANCE PROGRAM AND ETHICS

5. Monitoring & Auditing

Monitoring and Auditing: It's How We Keep Ourselves in Check

Compliance isn't just about setting rules – it's about making sure we follow them. That's where monitoring and auditing come in.

Monitoring is the process of continuously or periodically checking performance of staff and/or systems to ensure they are working efficiently and effectively and in compliance with all applicable laws and regulations.



COMPLIANCE PROGRAM AND ETHICS

5. Monitoring & Auditing

Auditing is the oversight process used to review procedures, systems, and processes. Auditing across MHS is conducted by the Internal Audit department, an independent department dedicated to evaluating and improving the effectiveness of the risk management, internal control, and corporate governance processes while adding value by improving operation and process efficiency.

Monitoring & Auditing Activities are reported through the Operational Compliance and Corporate Compliance Committees.



COMPLIANCE PROGRAM AND ETHICS

6. Corrective Action Plans

We take every concern seriously. Whether it's reported by you or discovered during a review, **every compliance issue** is fully and promptly investigated by the Compliance Department.

Following an investigation, the Compliance Department, in coordination with relevant departments and supervisory personnel, will take whatever corrective actions are necessary and appropriate to make sure we are in full compliance with all applicable laws and regulations and to prevent further or similar violations.



COMPLIANCE PROGRAM AND ETHICS

6. Corrective Action Plans

We don't just fix problems; we help improve systems, reinforce expectations, and protect our entire organization.

Depending on what's found, we may take one or more of the following actions:

- Update policies and procedures
- Provide re-education or training for staff
- Implement disciplinary action if appropriate
- Redesign systems and/or processes to prevent repeat issues

*Every issue is an
opportunity to
improve!*



7. Discipline for Noncompliance

Anyone Who Knowingly Violates MHS Policy has Consequences

At MHS, following policies isn't optional; it's essential. If someone knowingly breaks a policy, disciplinary action will be taken. This can range from:

- A documented discussion
- A written warning
- Suspension from work
- Termination of employment or other privileges
- Loss of access to MHS IT systems



COMPLIANCE PROGRAM AND ETHICS

7. Discipline for Noncompliance

Depending on the circumstances and severity of the issue, MHP may also notify law enforcement officials and/or regulatory, accreditation, and licensure organizations.



7. Discipline for Noncompliance

Examples of inappropriate and/or illegal behavior that may lead to disciplinary action include:

- Falsifying, forging, or altering records, bills, or other documents
- Stealing or misusing funds, supplies, property, and/or other MHS resources
- Accessing or altering computer files or patient records without authority
- Falsifying reports to management or external agencies
- Violating the MHS Conflict of Interest policy
- Storing patient information on unsecured mobile/portable devices
- Failing to comply with OSHA guidelines
- Accessing or sharing confidential information without a need-to-know
- Inappropriately accessing or using protected health information



COMPLIANCE PROGRAM AND ETHICS

If we fail to uphold compliance and ethical standards, there are consequences.

Office of Inspector General (OIG) Enforcement

- Risk of being placed under a Corporate Integrity Agreement (CIA)
- Mandatory external oversight and monitoring
- Costly, time-consuming corrective actions

Reputational Damage

- Loss of trust from patients, partners, and regulators



COMPLIANCE PROGRAM AND ETHICS

Let's take a closer look at what a CIA means — and why it's something we want to avoid

The Office of Inspector General (OIG) makes deals called **Corporate Integrity Agreements (CIAs)** with health care providers and other organizations. These deals happen when there's been an investigation into possible false claims against federal health care programs like Medicare or Medicaid.

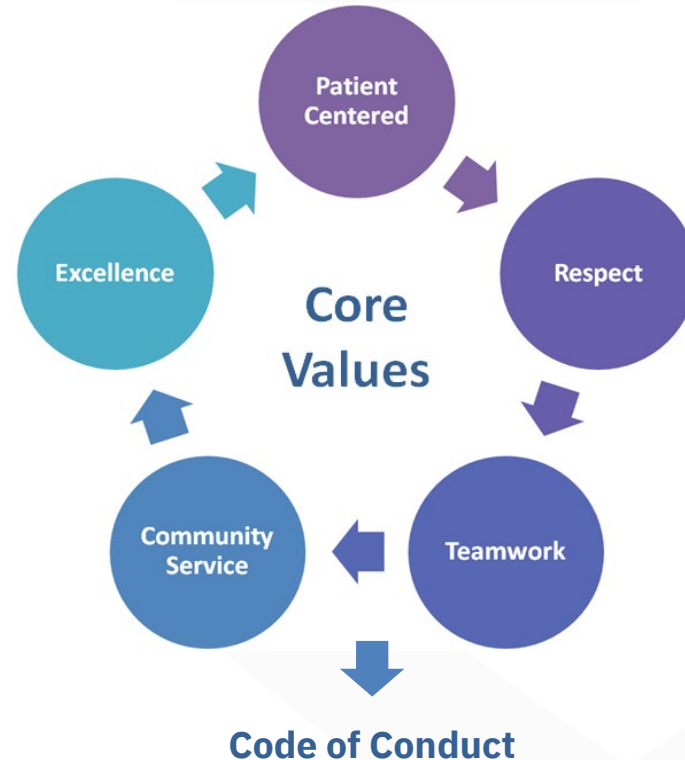
In these agreements, the health care providers promise to follow certain rules. In return, the OIG agrees not to kick them out of Medicare, Medicaid, or other federal health programs.

While each CIA is tailored to the specific situation, they usually last about five years and include multiple corrective actions.



COMPLIANCE PROGRAM AND ETHICS

The MHS Code of Conduct provides an overview of the standards and principles that guide and define our roles and relationships as employees of Methodist Health System. Methodist's Mission, Vision and Core Values serve as the foundation for the Code of Conduct.





COMPLIANCE PROGRAM AND ETHICS

Working with Integrity: Code of Conduct & Ethics

Ethics isn't just a guideline it's a daily commitment. Whether you're at the bedside, behind the scenes or supporting operations, the trust placed in us by our patients, families and the public is sacred.

It is important that you are familiar with, and follow, the Code and MHS policies, which issue guidance on the following:

- Shared Responsibility
- Quality of Care and Patient Safety
- Confidentiality and Information Security
- Legal and Regulatory Compliance
- Business and Financial Information
- Workplace Conduct and Employment Practices
- Protecting organizational assets, including our most important asset – **YOU!**



COMPLIANCE PROGRAM AND ETHICS

Ethical Guidelines That Guide Us

At the heart of everything we do, whether it's caring for a patient, supporting a teammate, or solving a challenge, is a simple commitment:

Be Honest. Be Ethical. Be Professional.

These aren't just words, they're how we live our mission every day: ***Improving the health of our communities by the way we care, educate and innovate.*** We hold ourselves and each other mutually accountable for our actions.



COMPLIANCE PROGRAM AND ETHICS

Shared Responsibilities

Employee Responsibilities

- Demonstrating professionalism at all times
- Displaying and promoting the highest standards of professional and ethical conduct
- Acting with the competence, skill, and integrity expected of our profession
- Behaving with dignity and courtesy toward our patients, clients, coworkers, learners, and others in business-related activities
- Being honest, fair, reasonable, and objective in our professional relationships



COMPLIANCE PROGRAM AND ETHICS

Shared Responsibilities

Leadership Responsibilities

- Leadership
 - Motivating, influencing, managing vision and purpose
 - Integrity and credibility, promoting change
- Standards and Accountability
 - Expectations, outcomes, accountability
- Planning and Decision Making
 - Vision, financial stewardship, problem solving



COMPLIANCE PROGRAM AND ETHICS

Shared Responsibilities

Leadership Responsibilities

- Communication
 - Keeping people informed, being a coach
- Developing People
 - Respect
- Building Relationships
 - A culture of openness and truthfulness, collaboration



COMPLIANCE PROGRAM AND ETHICS

Patient Rights and Responsibilities: The Heart of Healthcare

Every patient has rights that must be honored, protected, and championed.

- **Respect and Dignity** – Patients must be treated with compassion and without discrimination.
- **Privacy and Confidentiality** – Protect all personal health information. Never discuss patients details in public spaces or with unauthorized individuals.
- **Informed Consent** – Patients have the right to know what's happening to their bodies. Clearly explain procedures and respect their right to accept or refuse care.
- **Freedom from Harm** – Safety is non-negotiable. Report unsafe conditions or incidents immediately.



COMPLIANCE PROGRAM AND ETHICS

Just Culture: Balancing Accountability with Learning

Mistakes happen even in the most professional environments. A Just Culture recognizes this truth and focuses on:

- **Learning, not blaming** – Encourage staff to report errors or near misses without fear of punishment when the intent was not reckless
- **Accountability** – While unintentional mistakes are part of learning, willful violations or dangerous behavior are not tolerated
- **Open Communication** – We all benefit from honesty and reflection – own your actions, support your team, and keep the conversation going



Mistakes are opportunities to grow, not reasons to fear.



COMPLIANCE PROGRAM AND ETHICS

Conflict of Interest: Stay Neutral, Stay Ethical

A conflict of interest arises when your personal relationships or financial interests could interfere with your professional duties. When in doubt: Disclose it to Compliance and avoid decisions where personal interests could interfere with your professional role. Examples include:

- Favoring friends or family in hiring or treatment decisions
- Accepting gifts or incentives from vendors or patients
- Using your position for personal gain
- Referring patients to a business you have a financial interest in
- Moonlighting without disclosure
- Investing in healthcare related companies
- Research conflicts



COMPLIANCE PROGRAM AND ETHICS

MHS has established guidelines for gifts and solicitation

- **Business Courtesies** (lunches, dinners, sporting events)
 - General Rule: < \$350.00
- **Training and Education**
 - General Rule: Training costs must be approved by management if paid by vendor
 - MHS will pay any associated travel expenses
- **Gifts from Vendors to Individuals and Groups**
 - General Rule: < \$75.00
 - No gifts can be accepted from a patient for direct patient care