

TENET HEALTHCARE CORPORATION'S  
QUALITY, COMPLIANCE AND ETHICS PROGRAM

CHARTER

Updated November  
4, 2020

PREAMBLE

Tenet Healthcare Corporation (“THC”) hereby sets forth this Charter for its Quality, Compliance and Ethics program for Tenet<sup>1</sup>. Tenet’s adherence to the provisions of this Charter is intended to (1) support and maintain THC’s and Tenet’s present and future responsibility with regard to participation in federal health care programs; (2) further THC’s goals of establishing an organization that (a) fosters and maintains the highest ethical standards among all Tenet employees, officers and directors, physicians practicing at Tenet facilities and contractors that furnish health care items or services; (b) values its compliance with all state and federal laws and regulations as a foundation of its corporate philosophy; and (c) aligns with Tenet’s mission and core values. The primary focus of the Tenet Ethics and Compliance Program is on the requirements of Medicare, Medicaid and all other federal health care programs. This Charter shall apply to any facility or business in which Tenet owns an interest of more than 50% or for which Tenet manages the day-to-day operations of the facility or business.

During the performance of their duties for Tenet, Tenet employees, contractors, and agents, and members of the THC Board of Directors, are required to adhere to the provisions of the Tenet Code of Conduct, Tenet policies and procedures, and the requirements of this Charter.

I. QUALITY, COMPLIANCE AND ETHICS PROGRAM GOVERNANCE AND OVERSIGHT STRUCTURE

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<sup>1</sup> As used in this Charter, “Tenet” shall refer to subsidiaries and/or affiliates of Tenet Healthcare Corporation. The facilities and business units that provide healthcare items or services described in this Charter are owned and/or operated by subsidiaries or affiliates of Tenet Healthcare Corporation.

The Tenet Quality, Compliance and Ethics Program includes the following governance and oversight committees. A chart depicting these oversight committees and their respective reporting relationships, along with an overview of the types of information and data that are required to be reported to each, is included as Appendix A to this document.

1. *Quality, Compliance and Ethics Committee of the Board of Directors.* THC's Quality, Compliance and Ethics Committee of the Board of Directors ("Board QCE Committee") is comprised of at least three independent directors of THC's Board of Directors. The Board QCE Committee is responsible for the review of matters brought to its attention or information requested related to Tenet's Quality, Compliance and Ethics Program.

a. The Board QCE Committee shall provide oversight of the Tenet Quality, Compliance and Ethics Program.

b. The Board QCE Committee shall consider on a periodic basis (or, as appropriate, on an *ad hoc* basis), reports from the Tenet Chief Compliance Officer, Chief Medical and Nursing Officers and other Tenet sources that also are responsible for monitoring and addressing quality, compliance and ethics issues. The Board QCE Committee shall be responsible for oversight of the adequacy of the budget of the Tenet Ethics and Compliance Department ("Ethics and Compliance Department") so that its budget and funding are sufficient to meet its annual needs. Meetings of the Board QCE Committee shall be regularly attended by members of the Tenet executive team as designated by the Chair of the Board QCE Committee. The Board QCE Committee shall meet at least quarterly and shall keep a record of its proceedings for review by the full Board of Directors as appropriate.

2. *Policy Oversight Committee.* Tenet's Policy Oversight Committee shall be chaired by the Chief Compliance Officer (or his/her designee) and shall include executive leadership, including the Chief Executive Officer and/or the President and Chief Operating

Officer, and representatives from pertinent Tenet departments as determined by the Chief Compliance Officer. The Policy Committee shall be responsible for coordinating the review and approval of all Tenet corporate and model policies, and for providing strategic oversight related to policy development, vetting and rollout across the enterprise. The Policy Committee shall meet regularly and shall keep a record of its proceedings for review by the Board QCE Committee or the THC Board of Directors as appropriate.

3. *Executive Leadership Team Compliance Committee.* Tenet's Executive Leadership Team ("ELT") Compliance Committee shall be chaired by the Chief Compliance Officer and shall include, at a minimum, the members of Tenet's Executive Leadership Team. The ELT Compliance Committee provides executive management level oversight of the company's compliance with the legal and regulatory requirements of the federal health care programs. The ELT Compliance Committee shall meet at least quarterly and shall keep a record of its proceedings for review by the Board QCE Committee or the THC Board of Directors as appropriate.

4. *Hospital Operations Compliance Committee.* The Ethics and Compliance Department shall establish a Hospital Operations Compliance Committee ("HOCC") which shall be chaired by the Chief Compliance Officer (or his/her designee). The HOCC shall include, at a minimum, the Chief Operating Officer and pertinent members of the Chief Operating Officer's hospital leadership team, as determined by the Chief Operating Officer. The HOCC shall meet at least quarterly and shall keep a record of its proceedings for review by the Board QCE Committee or the THC Board of Directors as appropriate.

5. *Hospital Compliance Committees.* Each Tenet acute care hospital and any facility subject to a Corporate Integrity shall have a Hospital Compliance Committee ("HCC"). The Hospital Compliance Committee shall be chaired by the designated Compliance Officer for the

hospital and include the hospital CEO, CFO, CNO, the Director of Human Resources, and other appropriate senior level executives from other hospital departments. The HCC shall meet no less frequently than quarterly and shall keep a record of its proceedings for review by the Ethics and Compliance Department as appropriate.

6. *Business Unit Compliance Committees.* Business units that are not governed by a Hospital Compliance Committee shall convene compliance committees applicable to the business unit. The Compliance Committee shall be chaired by the lead Compliance Officer designated for the applicable business unit and shall include the senior leaders for the business unit (e.g., CEO, Finance, Operations, HR, Audit Services). The business unit Compliance Committees shall convene no less frequently than quarterly and shall keep a record of its proceedings for review by the Ethics and Compliance Department as appropriate.

## II. QUALITY, COMPLIANCE AND ETHICS PROGRAM

The Tenet Quality, Compliance and Ethics Program includes the following:

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1. *Chief Compliance Officer.* Tenet has a Chief Compliance Officer who is responsible for the management and operations of the Ethics and Compliance Department. The Chief Compliance Officer shall be a member of the Executive Leadership Team of Tenet and shall report directly to the Board QCE Committee, as well as to Tenet's Chief Executive Officer ("CEO") for administrative purposes.

a. The Chief Compliance Officer shall make regular (at least quarterly) reports regarding compliance matters directly to the CEO and the Board QCE Committee. The Chief Compliance Officer shall be authorized to report to the Board of Directors (including the Board QCE Committee) at any time.

b. To further his/her Ethics and Compliance Program duties, the Chief Compliance Officer shall have the authority to monitor and perform risk assessments of the business and health care delivery activities engaged in by Tenet, Tenet employees, directors, contractors, agents and staff physicians. The Chief Compliance Officer shall have the authority to establish a periodic reporting mechanism to fulfill his/her reporting obligations to the CEO and Board QCE Committee. The Chief Compliance Officer may also reasonably request and have access to any Tenet business record at any time in furtherance of the mission of ensuring Tenet's compliance with applicable federal and state laws and regulations and company policies.

c. The Chief Compliance Officer shall be responsible for developing an annual risk-based Compliance Work Plan and annual budget for the Ethics and Compliance Department and presenting such budget and Work Plan to the CEO and Board QCE Committee. The Ethics and Compliance Department shall be separate from the Tenet Law Department. The Chief Compliance Officer shall have the independent authority and budget to engage external legal counsel as the Chief Compliance Officer may deem necessary from time to time.

2. *Ethics and Compliance Department.* Tenet's Ethics and Compliance Department, which is managed by the Chief Compliance Officer, is responsible for the operation of Tenet's Ethics and Compliance Program and for ensuring Tenet's compliance with all applicable federal and state laws related to federal health care programs. The Ethics and Compliance Department shall focus its efforts on overseeing compliance in eight key areas: (1) quality; (2) medical necessity; (3) qualified providers and staff; (4) providing care without financial incentives; (5) providing care in a licensed, accredited facility; (6) patient rights; (7) correct reimbursement; and (8) correct documentation, coding, charging and billing. Among its responsibilities, the Ethics and Compliance Department shall be responsible for (1) facilitating,

in collaboration with the Tenet Law Department, compliance with the provisions of Tenet policies; (2) assessing, critiquing, and (as appropriate) drafting and distributing company policies and procedures; (3) developing, providing and tracking ethics and compliance training to all new Tenet employees and, as appropriate, directors, contractors and agents within the first 30 days of employment/engagement and general refresher training each year thereafter; (4) developing, providing and tracking job-specific training to those who work in clinical quality, coding, and billing, , in collaboration with the respective department responsible for oversight of each of these areas, within the first 30 days of employment/engagement and job-specific refresher training each year thereafter; developing, providing and tracking job-specific referral source arrangements training, in collaboration with the Tenet Law Department, within the first 30 days of employment/engagement and referral source arrangements refresher training each year thereafter; (5) developing, providing and tracking annual training, which shall include both ethics and compliance and clinical quality oversight content, to the members of each hospital governing board; (6) creating and disseminating the company's Code of Conduct and obtaining attestations of adherence to the Code as a condition of employment and whenever substantive changes are made to the Code; (7) maintaining and promoting the Tenet Ethics Action Line , which allows confidential reporting of issues on an anonymous basis and emphasizes Tenet's no retaliation policy; (8) responding to and ensuring resolution of all compliance-related issues that arise from the Ethics Action Line and compliance reports received from Tenet facilities and Compliance Officers (utilizing any compliance reporting software that Tenet may employ for this purpose) or any other source that results in a report to the Ethics and Compliance Department; (9) ensuring that appropriate corrective action and disciplinary action is taken by Tenet when non-compliant conduct and/or improper contractual relationships are identified; (10) monitoring and measuring Tenet's adherence to all applicable Tenet policies and legal and

regulatory requirements related to federal health care programs; (11) directing a screening of individuals for exclusion from federal health care program participation as required by federal regulations and no less frequently than annually; (12) ensuring that any newly acquired facilities implement the Tenet Code of Conduct within 30 days following the effective date of the acquisition, and adopt Tenet ethics and compliance policies, systems and processes according to a plan and schedule developed by the Ethics and Compliance Department, but in no event later than 12 months following the effective date of the acquisition (with any necessary extensions or modifications to the plan and schedule to be approved by the Quality, Compliance and Ethics Committee); (13) ensuring a database of all contractual arrangements involving the payment of anything of value between Tenet and any physician or other actual or potential source of health care business or referrals to or from Tenet is maintained, which shall include documentation from legal counsel whether the arrangement meets a Stark exception and/or Anti-Kickback safe harbor, as applicable; and (14) overseeing annual audits of referral source arrangements and other compliance risk areas as may be identified through the ethics and compliance risk assessment program. Audits may be conducted by Tenet's Audit Services Department, Quality Management Department or other appropriate internal or, as necessary, external audit resources. Significant audit results shall be reported to executive management and/or the relevant compliance committee(s), as appropriate.

a. Ethics and Compliance Department Structure

The Ethics and Compliance Department shall be comprised of Compliance Officers assigned to provide support to each of Tenet's business units. The Ethics and Compliance Department shall also be responsible for areas such as Ethics, Training, Policies and Procedures, Privacy and Security, Coding Compliance, Billing Compliance, and Anti-Bribery and Anti-Corruption compliance. The Ethics and Compliance Department shall be independent, which

means that (1) each member of the Department shall ultimately report to the Chief Compliance Officer with dotted line reporting to the senior leader of the applicable facility or business unit; and (2) the Ethics and Compliance Department shall be responsible for all hiring, performance and compensation decisions for the members of its Department.

b. Coordination With Other Tenet Departments

The Ethics and Compliance Department shall interact and coordinate with the Tenet Law Department to facilitate information-sharing about compliance-related issues, including compliance-related legal matters such as legal audits, internal investigations, and external investigations of Tenet operations. The Tenet Ethics and Compliance Department will seek legal counsel, as appropriate, for legal advice and to protect the company's legal rights and interests. The Ethics and Compliance Department also shall coordinate with and have the cooperation of all other Tenet corporate departments and subsidiaries, including (but not limited to) the following: Hospital Operations, Clinical Operations, Quality Management, Audit Services, Conifer, United Surgical Partners International, Inc., Finance, Human Resources and Government Programs to appropriately and adequately address and respond to Tenet's ethics and compliance-related issues. Under the oversight of the head of the Audit Services Department, the Audit Department shall periodically review the effectiveness of Tenet's Ethics and Compliance Program and shall report the results of such review to the appropriate Board Committee.

3. *Compliance Officers and Compliance Investigations Officers.* Tenet shall create and staff, as appropriate, the position of Compliance Officer and Compliance Investigations Officer responsible for its facilities and business units. Each Compliance Officer and Compliance Investigations Officer shall have sufficient management authority, responsibility, and resources to permit the effective performance of his/her duties. Each Compliance Officer is responsible, in

coordination with the Chief Compliance Officer and Ethics and Compliance Department, for implementation and oversight of Tenet's Ethics and Compliance Program at the relevant facilities or within the business unit, and compliance with Tenet policies and all applicable federal and state laws related to federal health care programs. The Compliance Officer's duties shall include the following: advising and directing facility or business unit employees (including senior executives) and contractors on Ethics and Compliance Program matters, supporting the overall effectiveness of the Ethics and Compliance Program by providing input on applicable compliance-related policies and procedures, reporting on ethics and compliance-related issues to the Chief Compliance Officer (or his/her designee) and senior facility or business unit executives, serving as the information resource for ethics and compliance issues in the applicable facility or business unit, assisting with the identification and assessment of hospital and company compliance risk areas, and assisting the Ethics and Compliance Program staff with compliance training material and programs. The Compliance Investigations Officer's duties shall include conducting timely and thorough reviews of each ethics and compliance concern, requiring an investigation, which is raised through any internal reporting mechanism, recommending, as appropriate, corrective actions to address deficiencies identified through the course of investigation, and providing appropriate documentation for closure of matters.

4. *Chief Medical Officer and Chief Nursing Officer.* Tenet has a Chief Medical Officer and a Chief Nursing Officer who, under the direction of the Chief Operating Officer, are primarily responsible for the clinical management and operations of the Clinical Operations Department. The Chief Medical and Nursing Officers shall be senior officers of the company. The Chief Medical and Nursing Officers shall make regular (at least quarterly) reports regarding clinical quality to the Board QCE Committee . The Chief

Medical and Nursing Officers shall be authorized to report to the Board of Directors (including the Board QCE Committee) at any time.

5. *Clinical Operations Department.* Tenet's Clinical Operations Department is responsible for monitoring clinical quality at Tenet hospitals and facilities including patient safety, clinical audits, physician credentialing, privileging and peer review programs, evidence-based medicine programs, standards of clinical excellence, quality metrics on the balanced scorecard and other performance standards and oversight of utilization management and review.

6. *Compliance Program Obligations.* Each Tenet business unit and facility shall adhere to the requirements of this Charter. The requirements include: (a) refunding all overpayments received from federal health care programs within sixty days of identification. An Overpayment means any funds that Tenet receives or retains under any federal health program, after applicable reconciliation, is not entitled to under such federal health care program requirement; (b) prior to employment, engagement or granting of privileges, screening all employees, contractors and active members of the medical staff for exclusion from federal healthcare program participation as required by federal regulations; (c) ensuring any active Corporate Integrity Agreement obligations are satisfied including the submission of all implementation and annual reports timely (d) reporting, through its respective compliance officer, the following in a compliance report, which shall be available to the Chief Compliance Officer and completed no less frequently than quarterly:

- (i) A violation of the obligation to provide items or services of a quality that meets professionally recognized standards of health care where such violation has occurred in one or more instances and presents an imminent danger to the health, safety or well-being of a federal health care program beneficiary or places the beneficiary unnecessarily in high-risk situations;

- (ii) Overpayments of \$250,000 or more;
- (iii) Evidence or allegations of actual or potential violations of the federal or state Anti-Kickback laws, the federal Stark Law, the state self-referral laws, or other criminal, civil or administrative laws applicable to any Federal health care program for which penalties or exclusion may be authorized;
- (iv) Violation of other federal or state laws or regulations for which significant penalties may be assessed or which may subject the Tenet entity to significant litigation risk (e.g., consumer protection laws, securities laws, environmental protection laws, etc.);
- (v) Notice of a government investigation or inquiry involving federal health care programs or litigation alleging fraud involving federal healthcare programs;
- (vi) Violation of the provisions of any government agreements involving any Tenet entity (e.g., Corporate Integrity Agreements, Non-Prosecution Agreements, etc.)
- (vii) Material violation of Tenet policies;
- (viii) Violation of CMS Conditions of Participation, Joint Commission standards, or other licensing or accreditation standards;
- (ix) Significant findings identified by Tenet audits or any review conducted by third parties engaged by any Tenet entity; and
- (x) Any other event likely to cause significant reputational or financial harm to any Tenet entity.

### III. ANNUAL PERFORMANCE EVALUATIONS

Tenet shall make a commitment to quality, compliance and ethics and proper execution

of Tenet's standards set forth in this Charter a component of the annual performance evaluations of every Tenet employee. In addition, the Chief Compliance Officer and EVP of Human Resources shall annually assess whether to modify any individual incentive compensation awards to reflect positive or negative individual performance in quality, compliance, ethics and financial controls.

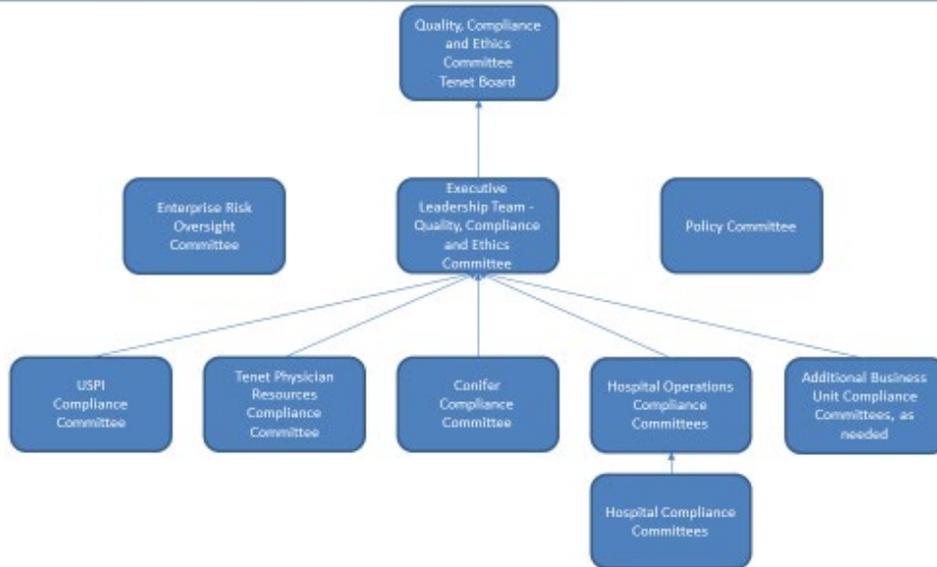
At least annually, the Chief Compliance Officer shall deliver a report to the Board QCE Committee outlining Tenet's significant compliance and ethics activities for the year. The purpose of the report is to provide information to the Board Committee so that it can perform its oversight function. In addition, the Ethics and Compliance Department shall review and reassess, at least annually, the adequacy of its Charter and recommend to the Board QCE Committee any improvements to the Charter that the Ethics and Compliance Department considers necessary or appropriate. Changes to the Charter may only be effectuated upon approval of the Board QCE Committee.

# Appendix A

## Governance and Oversight Committee Matrix

### Quality, Compliance and Ethics Committees and Governance

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## Governance Committee Reporting Guidelines

	Board QCE Committee	Policy Oversight Committee	ELT Compliance Committee	Business Unit Specific CC (HOCC, USPI, etc.)	Local Hospital Compliance Committees
Regulatory Updates				X (As needed)	X (As needed)
Policies and Procedures		X		X (Informational item as needed)	X (Informational item as needed)
Compliance Scorecards (Audit Results)	X		X	X	X
AS' Annual E&C Effectiveness Review	X				
E&C Dept. Annual Report	X				
Compliance Data Analytics	X		X (As needed for trending analysis)	X (As needed for trending analysis)	X (As needed for trending analysis)
Clinical Operations Reports				X (As needed)	X
Case Management				X (As needed)	X
Discussions with Leadership re Specific Audits				X (As Needed)	
Heat Map/Compliance Reports	X		X	X	X