

DEPARTMENT: Reimbursement	POLICY DESCRIPTION: Arrangements with External Consultants
PAGE: 1 of 2	REPLACES POLICY DATED: 4/22/98, 6/19/01, 7/1/06, 1/24/09, 5/15/10
EFFECTIVE DATE: October 1, 2020	REFERENCE NUMBER: RB.013
APPROVED BY: Ethics and Compliance Policy Committee	

<p>SCOPE: Reimbursement Department, all Company-affiliated Facilities that file cost reports, Parallon and all other Corporate Departments involved in the preparation of cost reports for Federal healthcare programs at Company-affiliated Facilities.</p>
<p>PURPOSE: To ensure that external reimbursement consultants are being appropriately utilized and compensated for services provided related to Medicare and any other third-party payer reimbursement activities.</p>
<p>POLICY:</p> <ol style="list-style-type: none"> 1. External reimbursement consultants may be used in the following situations: <ol style="list-style-type: none"> a. Specific expertise is needed that cannot be met with department staff. b. Department staff is unable to do all of the current workload due to staff vacancies or other priorities. 2. Consultants may be compensated under one of the following methods: <ol style="list-style-type: none"> a. an hourly rate; b. a fixed fee; c. a combination of an hourly rate and a fixed fee; or d. a contingency, if approved by the Executive VP & CFO and the responsible Senior Vice President. 3. All contracts, regardless of what the external consultant is used for and how he or she is compensated, are subject to final approval by the responsible Senior Vice President. The contract will state that it is the responsibility of the consultants to notify the Reimbursement Department Directors (Directors) of all findings (overstatements and understatements of reimbursement) to the Company. It is the responsibility of the Directors to ensure that all findings are reported to the Fiscal Intermediary/Medicare Administrative Contractor regardless of whether such findings are favorable or detrimental to the Company in accordance with the Disclosure Procedure Policy, RB.008, and the Reporting of Cost Report Overpayments Policy, RB.009. 4. Below is a set of minimum standards that must be verified prior to contracting with an external consultant to provide services related to Medicare and any other third-party payor reimbursement activities. A list of select consulting vendors, which are believed to have met the minimum standards addressed below, can be obtained from the VP of Reimbursement. At a minimum, a consultant must: <ol style="list-style-type: none"> a. not be listed as an Ineligible Person (as defined in the Prohibition Against Contracting with Any Ineligible Person Policy, MM.001); b. not be a former employee of the Company who was terminated from the Company's employment for cause; c. have access to current Medicare research and must be current on Reimbursement issues for which they are being used; and d. demonstrate their qualifications or experience to perform such services being performed.

DEPARTMENT: Reimbursement	POLICY DESCRIPTION: Arrangements with External Consultants
PAGE: 2 of 2	REPLACES POLICY DATED: 4/22/98, 6/19/01, 7/1/06, 1/24/09, 5/15/10
EFFECTIVE DATE: October 1, 2020	REFERENCE NUMBER: RB.013
APPROVED BY: Ethics and Compliance Policy Committee	

PROCEDURE: Directors, in consultation with their AVPs or VP, will determine the need for external reimbursement consultants. All work performed by the consultants must conform to the Company's policies and procedures and must undergo the same review and approval process as work performed by Department staff.

Contracts must be presented first to the VP of Reimbursement for discussion and agreement on the proposed work plan and compensation arrangement. All contracts will be approved by the responsible Senior Vice President and submitted to the Legal Department for review and final approval prior to the start of work.

- REFERENCES:**
1. Prohibition Against Contracting with Any Ineligible Person Policy, [MM.001](#)
 2. Disclosure Procedure Policy, [RB.008](#)
 3. Reporting of Cost Report Overpayments, [RB.009](#)