

Intra-Op Monitoring Services, LLC
Corporate Compliance Program and Code of Ethics

I. Introduction

A. Purpose of the Compliance Plan and Code of Ethics

Intra-Op Monitoring Services, LLC ("IOM") has adopted this Compliance Program and the Code of Ethics to achieve compliance with the myriad of statutes, regulations and informal guidance that govern the conduct and operations of both IOM and the health care providers to which IOM provides its services. This Compliance Program and the Code of Ethics is designed to provide effective controls to promote adherence to, and prevent violations of, applicable federal and state laws. These guidelines are to be complemented by more detailed standards and policies. The Compliance Program and Code of Ethics shall be distributed to each employee and consultant.

The Compliance Program and Code of Ethics have been created based on guidance from the Office of the Inspector General ("OIG") of the Department of Health and Human Services ("HHS"), the Center for Medicare and Medicaid Services ("CMS") and applicable Federal regulations, laws, and guidelines. As such, this plan is not intended to address every possible situation that may arise in the day-to-day operations of IOM or address in precise detail all of the acts necessary to achieve full regulatory compliance. IOM recognizes the need to continuously review and amend this Compliance Program and the Code of Ethics in order to assure both effectiveness and completeness as the health care regulatory landscape continues to undergo momentous change.

B. Adherence to the Compliance Plan and Code of Ethics

This Compliance Program is designed to promote a culture of full compliance and ethical conduct by establishing general standards of conduct and procedures that promote compliance with applicable law. To achieve this goal, adherence to the Compliance Program and Code of Ethics is essential. Achieving business results by illegal acts or unethical conduct is not acceptable. Therefore, no employee, consultant or agent of IOM (hereinafter IOM personnel) is authorized to act in disregard of any requirements of this Compliance Program or the Code of Ethics.

II. Code of Ethics

It is IOM's policy to prohibit and prevent unethical or unlawful behavior. To that end all IOM personnel are required to adhere to the following ethical standards:

- IOM personnel must avoid situations in which their personal interests could conflict, or reasonably appear to conflict, with the interests of IOM.
- IOM assets are to be used solely for the benefit of IOM and may not be used by IOM personnel for personal gain.

- Employees and agents shall cooperate with government personnel conducting investigations, subject to guidance from the Compliance Officer and/or IOM's legal counsel.
- Patient records must remain confidential in accordance applicable laws.
- IOM personnel and any of their family members shall not receive personal benefits, kickbacks or rebates as a result of the purchase or sale of goods or services at IOM or incident to IOM's daily operations.
- Personal gifts of any kind (including entertainment & food) from product suppliers, service suppliers and referral sources are not acceptable under any circumstances.
- IOM personnel will work to maintain IOM's books and records accurately to ensure that the true nature of any and all transactions are represented.

These ethical standards are not intended to be exhaustive or cover every situation that may arise. IOM personnel are expected to use sound judgment when confronted with a potentially unethical situation or opportunity and report any such situation or opportunity to the Compliance Officer as soon as possible. If the Compliance Officer is not available, reports shall be made to the Chief Executive Officer and Chief Administrative Officer.

III. Compliance Standards

A. General Standards of Conduct

IOM is committed to comply fully with all Federal and state health care program requirements. IOM also endeavors to comply with all requirements from its payors and customers. IOM expects all of its personnel to comply with the compliance standards listed below and to report any suspected violations to the Compliance Officer (or, if the Compliance Officer is not available, reports shall be made to the Chief Executive Officer and Chief Administrative Officer). It is expected that these standards of conduct will be supplemented by more detailed policies and procedures.

i. Relationships with Referrals Sources: It is IOM's policy that all referral sources must be maintained at arm's length business relationships and will avoid even the appearance of impropriety. Direct or indirect payments to referral sources, except as authorized by law, are prohibited. Entertainment of referrals sources must be conducted within the bounds of applicable laws and never under any circumstances which might be viewed as improper or illegal. The Code of Ethics prohibits all IOM personnel from accepting personal gifts of any kind from product suppliers, service suppliers and referral sources.

ii. Accounting and Financial Relationships: All funds and other assets and all transactions of IOM must be properly documented, fully accounted for, and promptly recorded in the appropriate books and records in conformity with generally accepted accounting principles and governmental reimbursement accounting principles. Accurate and reliable business records must be maintained at all times. IOM personnel shall make full disclosure of all

relevant information and otherwise fully cooperate with internal or external auditors, or IOM's legal counsel, in the course of compliance audits or investigations.

iii. Bribes and Improper Payments: No IOM personnel may enter into any agreement or arrangement which calls for a commission, rebate, consultant or service agreement, bribe, kickback, or otherwise, when such employee knows or should suspect from the surrounding circumstances or after a reasonable good faith inquiry, that the intent or probable result is to make an improper reward, directly or indirectly. IOM shall, to the extent possible require that all business arrangements between IOM and possible sources of referrals shall conform with the safe harbor regulations under the Medicare / Medicaid Anti-Kickback Statute as codified in the Code of Federal Regulations. All business arrangements that could potentially violate the Anti-Kickback Statute or physician self-referral law must be reviewed by IOM's legal counsel.

B. Auditing and Monitoring

i. Standards and Procedures: IOM will, at least annually, review all standards and procedures to ensure such standards and procedures are current and effective. Any standards or procedures determined to be outdated or deficient will be updated to reflect changes in government regulations or prevailing standards used in the health care field.

ii. Claims Submission Audit: IOM will at least annually conduct a thorough self-audit of claims submitted since the previous audit to ensure accurate and appropriate claims submission. At least annually, IOM shall engage an independent accounting organization with expertise in Federal health care program requirements to conduct an audit of a sampling of claims submitted to any Federal health care program and a review of the claims process used for private insurers.

C. Practice Standard and Procedures

i. Coding & Billing: IOM will establish written standards and procedures to ensure all coding and billing is accurate, reflects current reimbursement principals and is supported by medical record documentation.

ii. Reasonable & Necessary Services: Claims will be submitted only for services that IOM finds to be reasonable and necessary for a particular patient and that were performed in conformity with IOM's policies. IOM may submit claims to Medicare in order to receive a denial if such a denial is required for purposes of reimbursement by a secondary payor.

iii. Medical Record Documentation & Retention: IOM recognizes that thorough and accurate medical record documentation facilitates both high quality patient care and accurate reimbursement. To that end, IOM implements the following guidelines:

- All medical documentation must be complete and legible.
- CPT and ICD-9-CM codes used for claims submission will be supported by documentation and the medical record.

- The medical documentation will reflect the patient's progress, his or her response to, and any changes in, treatment, and any revision in diagnosis.
- IOM will establish documentation creation, retention, distribution and destruction policies.
- Any document creation, retention distribution or destruction policies will be in compliance with applicable Federal and state law and any requirements of the Joint Commission on Accreditation for Healthcare Organizations.

iv. Corporate Record Documentation & Retention: IOM will thoroughly document, as appropriate, efforts to comply with Federal health care program requirements as well as private payor requirements, potential violations uncovered by this Compliance Program and any resulting remedial action.

vi. Improper Inducements, Kickbacks and Self-Referrals: IOM will implement standards and procedures to ensure compliance with the Anti-Kickback Statute and physician self-referral law. Such standards and procedures must ensure a thorough evaluation of any and all arrangements, financial or otherwise, with hospitals, physician practices, durable medical equipment providers, pharmaceutical manufacturers and vendors, and patients.

vii. Confidentiality: IOM will implement standards and procedures to ensure compliance with Federal and state patient confidentiality laws.

D. Compliance Officer

IOM will designate one employee or agent of IOM who is independent of management to accept the responsibility of ensuring compliance with this Compliance Program and developing corrective action plans for any violations or risk areas identified. IOM may designate more than one individual as a Compliance Officer provided that individual is independent of management. The Compliance Officer(s) designated by IOM will be knowledgeable about IOM's business practices, policies, federal and state healthcare requirements, and the requirements of private insurers using IOM services. The Compliance Officer's duties will include:

- Oversee and monitor the implementation of this Compliance Program.
- Establish periodic audits as described above to improve efficiency and quality of care while reducing IOM's vulnerability to fraud and abuse.
- Review and revise this Compliance Program as appropriate to comply with changes in IOM, the applicable law and policies of the Government and private payor health plans.
- Develop, coordinate and implement a compliance training and education program for all employees of IOM.

- Develop and implement an Open Communication Policy as described below.
- Ensure the practice does not employ or do business of any kind with any individuals or entities that have been excluded from participation in Federal health care programs by the OIG of the Department of Health and Human Services and/or the General Services Administration.
- Investigate any report or allegation concerning possible unethical or improper business practices and violations of any corrective action plans and/or this Compliance Program.
- Maintain a written log of every report or allegation, documenting all aspects of the accompanying investigation as well as the outcome.
- Make certain every new member of IOM's personnel is informed about IOM's Compliance Program and Code of Ethics.

E. Training and Education

i. Compliance Training: At the direction of the Compliance Officer all IOM personnel will receive training on how to perform their jobs in compliance with the standards of the practice and any applicable regulations and each member of IOM's personnel will understand that compliance is a condition of continued employment with IOM. At the end of each training session, IOM will obtain the IOM personnel's written acknowledgment confirming completion of the training and a pledge to adhere to the Compliance Program and any supplemental standards and policies. The Compliance Officer will create a bulletin board in a common area of IOM where all IOM personnel can receive updates to compliance information.

ii. Coding and Billing Training: IOM will ensure that any IOM personnel responsible for coding and billing will be thoroughly trained with particular attention focused on the risk areas identified by the OIG:

- coding requirements;
- claim development and submission processes;
- signing a form for a physician without the physician's authorization;
- proper documentation of service rendered;
- proper billing standards and procedures and submission of accurate bills for services or item rendered to Federal health care program beneficiaries; and,
- the legal sanctions for submitting deliberately false or reckless billing.

iii. Continuing Education on Compliance Training: All new IOM personnel will receive compliance training as soon as possible with repeat or "refresher" training at least annually or more frequently at the discretion of the Compliance Officer.

iv. Personnel Responsibilities: All IOM personnel are responsible for acquiring sufficient information to recognize potential compliance issues applicable to their duties and for appropriately seeking advice regarding such issues.

F. Responding to Offenses and Corrective Action Initiatives

IOM will thoroughly investigate any and all possible violations of this Compliance Program, the standards and procedures promulgated hereunder, or any law or regulations. All aspects of any investigation will be thoroughly documented in an investigation report. If necessary, IOM will consult with legal counsel.

G. Open Communication Policy

IOM will establish an Open Communication Policy between physicians, management, and IOM personnel. This policy will be communicated to all IOM personnel. An integral part of the policy will include a method for IOM personnel to anonymously report suspected violations of any law, regulation, corrective action plan or practice standard and procedure. Any and all compliance related communications will be kept in strict confidence. The Compliance Officer shall be responsible for maintaining IOM's Open Communication Policy.

H. Enforcing Disciplinary Standards

IOM will establish enforcement and disciplinary mechanisms to ensure that violations of any standards and procedures will result in consistent and appropriate sanctions, including the possibility of termination of employment, against the offending individual. Any disciplinary mechanism must be applicable to all IOM personnel, including management and the Compliance Officer.

All IOM personnel shall be encouraged to report any and all acts of perceived wrongdoing involving IOM and its operations. IOM shall have available to all IOM personnel a form to be used to report suspected problems to the Compliance Officer. If the Compliance Officer is not available, reports shall be made to the Chief Executive Officer and the Chief Administrative Officer. All IOM personnel shall be provided information on Federal and state laws regarding fraud and abuse, and on reporting perceived wrongdoing to appropriate governmental authorities.

IOM shall take all reports of wrongdoing seriously and shall investigate any and all such reports. IOM will create a written record for each and every report and, if appropriate, contact legal counsel to determine what steps will be taken to respond to and prevent the alleged wrongdoing.

No IOM personnel shall be punished in any way solely on the basis that he or she reported what he or she in good faith believed to be an act of wrongdoing or a violation of this Compliance Program or the Code of Ethics.

IV. Assessing and Reviewing the Compliance Plan and Code of Ethics

IOM will conduct a thorough evaluation of this Compliance Program and the Code of Ethics at least annually or within a reasonable time after a violation is discovered.

V. Government Interviews and Investigations

A. IOM and its personnel shall cooperate fully and promptly with appropriate investigations into possible civil and criminal violations of law. It is important, however, in this process, that IOM is able to protect the legal rights of IOM and its personnel. To accomplish these objectives, any governmental inquiries or requests for information, documents, or interviews should be promptly referred to the Compliance Officer, the Chief Executive Officer, and IOM's legal counsel.

B. IOM personnel who participate in government interviews shall give answers that are truthful, complete and unambiguous.

EFFECTIVE DATE: August 26, 2010 – Approved IOM Board of Directors