

**CORPORATE INTEGRITY AGREEMENT
BETWEEN THE
OFFICE OF INSPECTOR GENERAL
OF THE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
AND
TENET HEALTHCARE CORPORATION**

I. INTRODUCTION AND RELEASE

Tenet Healthcare Corporation, together with its subsidiaries, affiliates, hospitals, and other health care facilities, hereby enters into this Corporate Integrity Agreement (CIA) with the Office of Inspector General (OIG) of the United States Department of Health and Human Services (HHS) to promote compliance with the statutes, regulations, and written directives 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). For the purposes of this CIA, “Tenet” shall mean the following: (1) Tenet Healthcare Corporation and its wholly-owned subsidiaries and affiliates; (2) any other corporation, limited liability company, partnership, or any other legal entity or organization in which Tenet Healthcare Corporation or a wholly-owned subsidiary or affiliate owns a direct or indirect equity interest of 50% or more; and (3) any hospital or other health care facility in which Tenet Healthcare Corporation or a wholly-owned subsidiary or affiliate either manages or controls the day-to-day operations of the facility.

Tenet and the United States entered into a Settlement Agreement dated June 28, 2006 (Settlement Agreement) in which certain Tenet Entities, as defined in the Settlement Agreement, agreed to pay the United States \$900 million, plus applicable interest, in exchange for a release from liability under the False Claims Act, and other civil and administrative authorities, for specified conduct detailed in Paragraph E of the Settlement Agreement (hereinafter referred to as the “Covered Conduct”). In the Settlement Agreement, the United States alleged that it had certain administrative claims against the Tenet Entities for the Covered Conduct and OIG expressly reserved all rights to institute, direct, or to maintain any administrative action seeking exclusion against the Tenet Entities, and/or its officers, directors, and employees from Medicare, Medicaid, or other Federal health care programs (as defined in 42 U.S.C. § 1320a-7b(f)) under 42 U.S.C. § 1320a-7(a) (mandatory exclusion), or 42 U.S.C. § 1320a-7(b) (permissive exclusion).

In consideration of the obligations of Tenet set forth in the Settlement Agreement and this CIA, conditioned upon the Tenet Entities’ full payment of the Settlement Amount under Paragraph III.1 of the Settlement Agreement, and subject to Paragraph III.18 of the Settlement Agreement (concerning bankruptcy proceedings commenced within 91 days of the Effective Date of the Settlement Agreement or any payment under

the Settlement Agreement), OIG agrees to release and refrain from instituting, directing, or maintaining any administrative action seeking exclusion from Medicare, Medicaid, and other Federal health care programs (as defined in 42 U.S.C. § 1320a-7b(f)) against the Tenet Entities under 42 U.S.C. § 1320a-7(b)(7) (permissive exclusion for fraud, kickbacks, and other prohibited activities) for the Covered Conduct, except as reserved in Paragraph III.11 of the Settlement Agreement and as reserved in this Section. OIG expressly reserves all rights to comply with any statutory obligations to exclude the Tenet Entities, and/or its officers, directors, and employees from Medicare, Medicaid, or other Federal health care programs under 42 U.S.C. § 1320a-7(a) (mandatory exclusion) based upon the Covered Conduct. Nothing in this Section precludes OIG from taking action against entities or persons, or for conduct and practices, for which claims have been reserved in Paragraph III.11 of the Settlement Agreement.

II. TERM AND SCOPE OF THE CIA

A. The period of the compliance obligations assumed by Tenet under this CIA shall be five years from the effective date of this CIA, unless otherwise specified. The effective date shall be the date on which the final signatory of this CIA executes this CIA (Effective Date). Each one-year period, beginning with the one-year period following the Effective Date, shall be referred to as a "Reporting Period."

B. Sections VII, VIII, IX, X, and XI shall expire no later than 120 days after OIG's receipt of: (1) Tenet's final annual report; or (2) any additional materials submitted by Tenet pursuant to OIG's request, whichever is later.

C. The scope of this CIA shall be governed by the following definitions:

1. "Covered Persons" includes:
 - a. all natural persons who are owners (other than shareholders who:
 - (i) have an ownership interest of less than 5%; and
 - (ii) acquired the ownership interest through public trading), officers, directors, and employees of Tenet;
 - b. all contractors, subcontractors, agents, and other persons who provide patient care items or services or who perform billing or coding functions on behalf of Tenet, excluding vendors whose sole connection with Tenet is selling or otherwise providing medical supplies or equipment to Tenet; and

c. physicians with active medical staff privileges at any Tenet hospital.

Notwithstanding the above, this term does not include part-time or per diem employees, contractors, subcontractors, agents, and other persons who are not reasonably expected to work more than 160 hours per year, except that any such individuals shall become "Covered Persons" at the point when they work more than 160 hours during the calendar year.

2. "Billing and Reimbursement Covered Persons" includes all Covered Persons involved, directly or in a supervisory role, in the preparation or submission of claims for reimbursement from, or cost reports to, any Federal health care program.
3. "Arrangements Covered Persons" includes all Covered Persons involved in the negotiation, preparation, review, approval, maintenance, and approval for payment of all Arrangements as defined below on behalf of Tenet.
4. "Clinical Quality Covered Persons" includes all Covered Persons involved in the delivery of patient care items or services at Tenet hospitals or involved in the monitoring of clinical quality at Tenet hospitals.
5. "Relevant Covered Persons" means all Billing and Reimbursement Covered Persons, Arrangements Covered Persons, and Clinical Quality Covered Persons.
6. "Excepted Physician" means any physician who has active medical staff privileges at any Tenet hospital but who is not (a) employed by Tenet; (b) a medical director at a Tenet hospital or health care facility; or (c) a member of the governing board at a Tenet hospital or health care facility.
7. "Arrangements" shall mean every arrangement or transaction that:
 - a. involves, directly or indirectly, the offer, payment, solicitation, or receipt of anything of value; and is between Tenet and any actual or

potential source of health care business or referrals to Tenet or any actual or potential recipient of health care business or referrals from Tenet. The term “source” shall mean any physician, contractor, vendor, or agent and the term “health care business or referrals” shall mean referring, recommending, arranging for, ordering, leasing, or purchasing of any good, facility, item, or service for which payment may be made in whole or in part by a Federal health care program; or

b. is between Tenet and a physician (or a physician’s immediate family member (as defined at 42 C.F.R. § 411.351)) who makes a referral (as defined at 42 U.S.C. § 1395nn(h)(5)) to Tenet for designated health services (as defined at 42 U.S.C. § 1395nn(h)(6)).

8. “Focus Arrangements” means every Arrangement that:

a. involves, directly or indirectly, the offer or payment of anything of value and are between Tenet and any actual source of health care business or referrals to Tenet; or

b. is between Tenet and a physician (or a physician’s immediate family member (as defined at 42 C.F.R. § 411.351)) who makes a referral (as defined at 42 U.S.C. § 1395nn(h)(5)) to Tenet for designated health services (as defined at 42 U.S.C. § 1395nn(h)(6)).

Provided, however, that any Arrangement that satisfies the requirements of 42 C.F.R. § 411.356 (ownership of investment interests), 42 C.F.R. § 411.357(g) (remuneration unrelated to the provision of designated health services), 42 C.F.R. § 411.357(i) (payments by a physician for items and services), 42 C.F.R. § 411.357 (m) (medical staff incidental benefits), 42 C.F.R. § 411.357(o) (compliance training), 42 C.F.R. § 411.357(q) (referral services), 42 C.F.R. § 411.357(s) (professional courtesy), 42 C.F.R. § 411.357(u) (community-wide health information systems), or any exception to the prohibitions of 42 U.S.C. § 1395nn enacted following the Effective Date that does not require a written agreement shall not be considered a Focus Arrangement for the purposes of the CIA.

III. CORPORATE INTEGRITY OBLIGATIONS

Tenet shall establish and maintain a Compliance Program that includes the following elements:

A. Compliance Management and Oversight.

1. *Chief Compliance Officer.* Tenet has appointed, and shall maintain during the term of the CIA, an individual to serve as its Chief Compliance Officer. The Chief Compliance Officer has primary responsibility for ensuring the effective operation of the Compliance Program and shall be responsible for developing and implementing policies, procedures, and practices designed to ensure compliance with the requirements set forth in this CIA and with Federal health care program requirements at Tenet. The Chief Compliance Officer shall be a member of senior management of Tenet, shall make periodic (at least quarterly) reports regarding compliance matters directly to the Board of Directors of Tenet, and shall be authorized to report on such matters to the Board of Directors at any time. The Chief Compliance Officer shall be responsible for monitoring the day-to-day compliance activities engaged in by Tenet as well as for any reporting obligations created under this CIA. The Chief Compliance Officer shall not be, or be subordinate to, Tenet's General Counsel or Chief Financial Officer. Tenet shall report to OIG, in writing, any changes in the identity or position description of the Chief Compliance Officer, or any actions or changes that would affect the Chief Compliance Officer's ability to perform the duties necessary to meet the obligations in this CIA, within 15 days after such a change.

2. *Regional and Hospital Compliance Officers.* Tenet has appointed, and shall maintain during the term of the CIA, individuals to serve as Regional Compliance Officers for Tenet's regional offices and Hospital Compliance Officers for each Tenet hospital. The Regional Compliance Officer shall be responsible for implementing policies, procedures, and practices designed to ensure compliance with the requirements set forth in this CIA and with Federal health care program requirements for the applicable regional office, and shall monitor the day-to-day compliance activities of the applicable regional office. The Hospital Compliance Officer shall be responsible for implementing policies, procedures, and practices designed to ensure compliance with the requirements set forth in this CIA and with Federal health care program requirements for the applicable hospital, and shall monitor the day-to-day compliance activities of the applicable hospital. The Regional Compliance Officers shall be members of the Ethics and Compliance Department, and shall be independent from Tenet's Legal Department. The Hospital Compliance Officers shall report to the Regional Compliance Officers for ethics and

compliance purposes, and shall be independent from Tenet's Legal Department. Tenet shall report to OIG, in writing, any changes in the identity or position description of any Regional or Hospital Compliance Officers, or any actions or changes that would affect any Regional or Hospital Compliance Officer's ability to perform the duties necessary to meet the obligations in this CIA, within 15 days after such a change.

3. *Ethics and Compliance Department.* Tenet has created, and shall maintain during the term of the CIA, an Ethics and Compliance Department comprised of senior officers, corporate compliance staff, Regional Compliance Officers, and Hospital Compliance Officers. The Ethics and Compliance Department shall be responsible for implementing policies, procedures, and practices designed to ensure privacy and security of protected health information, compliance audits (including coding audits), reporting and monitoring of compliance issues on the Compliance Issue Tracking System and the Master Action Plan, policies and training, and the Disclosure Program described in Section III.E of the CIA. The Ethics and Compliance Department shall be independent from Tenet's Legal Department. Tenet shall continue to provide, at a minimum, the same level of resources currently provided to the Ethics and Compliance Department (commensurate with the size of Tenet) throughout the term of the CIA. Tenet shall report to OIG, in writing, any actions or changes that would affect the Ethics and Compliance Department's ability to perform the duties necessary to meet the obligations in this CIA, within 15 days after such a change.

4. *Clinical Quality Department.* Tenet has established, and shall maintain during the term of the CIA, a Clinical Quality Department comprised of a Chief Medical Officer, senior officers, and other clinical quality staff. The Clinical Quality Department is responsible for monitoring clinical quality at Tenet hospitals, including the "Commitment to Quality" Program, Comprehensive Clinical Audits, physician credentialing, privileging, and peer review programs, evidence-based medicine programs, standards of clinical excellence, utilization management and review, and quality metrics on the balanced scorecard and other performance standards. Tenet shall continue to provide, at a minimum, the same level of resources currently provided to the Clinical Quality Department (commensurate with the size of Tenet) throughout the term of the CIA. Tenet shall report to OIG, in writing, any actions or changes that would affect the Clinical Quality Department's ability to perform the duties necessary to meet the obligations of the CIA, within 15 days after such a change.

5. *Corporate Compliance Committee.* Tenet has established, and shall maintain during the term of the CIA, a Compliance and Ethics Committee (Corporate Compliance Committee). The Tenet Compliance Committee shall, at a minimum, include

the Chief Compliance Officer and other members of senior corporate management necessary to meet the requirements of this CIA (e.g., senior executives of relevant departments, such as billing, clinical, human resources, audit, and operations). The Chief Compliance Officer shall chair the Corporate Compliance Committee and the Corporate Compliance 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). Tenet shall report to OIG, in writing, any changes in the composition of the Corporate Compliance Committee, or any actions or changes that would affect the Corporate Compliance Committee's ability to perform the duties necessary to meet the obligations in this CIA, within 15 days after such a change.

6. *Regional and Hospital Compliance Committees.* In addition, Tenet has established, and shall maintain during the term of the CIA, regional compliance committees for Tenet's regional offices (Regional Compliance Committees) and hospital compliance committees at each Tenet hospital (Hospital Compliance Committees). The Regional and Hospital Compliance Committees shall include appropriate personnel from the Ethics and Compliance Department (e.g., applicable Regional Compliance Officer, applicable Hospital Compliance Officer, and other compliance personnel where appropriate) and other members of senior management at Tenet's regional offices and Tenet hospitals necessary to meet the requirements of this CIA (e.g., senior executives of relevant departments, such as billing, clinical, human resources, audit, and operations). The Regional and Hospital Compliance Committees shall support the Regional and Hospital Compliance Officers in fulfilling their 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). Tenet shall report to OIG, in writing, any actions or changes that would affect any Regional or Hospital Compliance Committee's ability to perform the duties necessary to meet the obligations of the CIA, within 15 days after such a change.

7. *Quality, Compliance, and Ethics Committee of the Board of Directors.* Tenet's Board of Directors currently has, and shall maintain during the term of the CIA, a Quality, Compliance, and Ethics Committee comprised of independent directors of Tenet (hereinafter "Board Committee"). The Board Committee is responsible for the review and oversight of matters related to compliance with the requirements of Federal health care programs and the obligations of this CIA. The Board Committee shall, at a minimum, be responsible for the following:

- a. The Board Committee shall meet at least quarterly and shall review and oversee Tenet's Compliance Program, including but not limited to the performance of the Chief Compliance Officer, Regional and Hospital Compliance Officers, the Ethics and Compliance Department, the Clinical Quality Department, the Corporate Compliance Committee, and Regional and Hospital Compliance Committees.
- b. The Board Committee shall arrange for the performance of a review on the effectiveness of Tenet's Compliance Program (Compliance Program Review) for each Reporting Period of the CIA and shall review the results of the Compliance Program Review as part of the review and assessment of Tenet's Compliance Program. A copy of the Compliance Program Review Report shall be provided to OIG in each Annual Report submitted by Tenet.
- c. The Board Committee shall retain an independent individual or entity with expertise in compliance with the Federal health care program requirements (Compliance Expert). The Compliance Expert shall assist the Board Committee by creating a work plan for the Compliance Program Review, overseeing the performance of the Compliance Program Review, and supporting the Board Committee's responsibilities for reviewing and assessing Tenet's Compliance Program.
- d. For each Reporting Period of the CIA, the Board Committee shall adopt a resolution, signed by each individual member of the Board Committee, summarizing its review and oversight of Tenet's compliance with the requirements of Federal health care programs and the obligations of this CIA.

At a minimum, the resolution shall include the following language:

"The Quality, Compliance, and Ethics Committee of the Board of Directors has made reasonable and due inquiry into the operations of Tenet's Compliance Program, including the performance of the Chief Compliance Officer, Regional and Hospital Compliance Officers, the Ethics and Compliance Department, the Clinical Quality Department, the Corporate Compliance Committee, and

