

 	<b>Administrative Policy</b>	<b>No.</b>	<b>AD 1.16</b>
	<b>Title:</b>  <b>FACILITY OPERATIONAL CHANGES</b>	<b>Page:</b>	<b>1 of 2</b>
		<b>Effective Date:</b>	<b>09-27-11</b>
		<b>Retires Policy Dated:</b>	<b>06-09-08</b>
		<b>Previous Versions Dated:</b>	

## **I. SCOPE:**

This policy applies to (1) Tenet Healthcare Corporation and its wholly-owned subsidiaries and affiliates (each, an “Affiliate”); (2) any other entity or organization in which Tenet Healthcare Corporation or an Affiliate owns a direct or indirect equity interest greater than 50%; and (3) any hospital or healthcare facility in which Tenet Healthcare Corporation or an Affiliate either manages or controls the day-to-day operations of the facility (each, a “Tenet Facility”) (collectively, “Tenet”).

## **II. PURPOSE:**

The purpose of this policy is to ensure, through the implementation of prudent and reasonable controls, that Tenet Facilities provide timely notice of operational changes to the appropriate Tenet corporate departments to prevent business interruptions and to comply with all applicable laws and regulations regarding licensure.

## **III. POLICY:**

A Tenet Facility’s Regional Senior Vice President (RSVP) and Regional Counsel must approve all operational changes prior to the implementation of such changes. Operational changes include, but are not limited to, changing an institution’s name (business name, corporate entity), changing licensed bed capacity, opening or closing a business unit (*e.g.*, off-site clinic, hospital based service), seeking Provider-Based status, relinquishing accreditation and physical address changes.

## **IV. PROCEDURE:**

### **A. Tenet Facility Implementation**

When a Tenet Facility identifies a need for an operational change, the Tenet Facility must obtain its RSVP’s and Regional Counsel’s approval prior to implementing the change to ensure that all proper steps are taken to obtain the requisite approvals before the operational change is implemented. Except in exigent circumstance, the Tenet Facility should notify the RSVP and Regional Counsel at least 120 days prior to the proposed implementation date. The Tenet Facility also must notify the corporate departments identified on Attachment A, Facility Change Notification/Approval Checklist.

### **B. Responsible Person**

Each Tenet Facility Chief Executive Officer shall be responsible for assuring that all personnel adhere to the requirements of this policy that these procedures are

implemented and followed at the Facility, and that instances of noncompliance with this policy are reported to the Hospital Compliance Officer.

C. Auditing and Monitoring

Tenet's Audit Services Department shall audit adherence to this policy during its routine audits.

D. Enforcement

All employees whose responsibilities are affected by this policy are expected to be familiar with the basic procedures and responsibilities created by this policy. Failure to comply with this policy will be subject to appropriate performance management pursuant to all applicable policies and procedures, up to and including termination. Such performance management may also include modification of compensation, including any merit or discretionary compensation awards, as allowed by applicable law.

**V. REFERENCES:**

- Administrative Policy AD 2.05, Authorized Financial Approval Limits
- Administrative Policy AD 2.01, Capital Expenditure Review Process (including Leases)
- Law Department Policy L-15, Electronic Contract Approval Term Sheet (eCATS)

**VI. ATTACHMENTS:**

- Attachment A: Facility Change Notification/Approval Checklist