Sample Code of Conduct

Note: The following is intended to be an example that boards should adapt to meet their individual needs.

I. COMMITMENT TO ETHICS AND COMPLIANCE

_______________________ (the “Hospital”) and its Subsidiaries (referred to hereafter as the “System”) are proud of our tradition of ethical and responsible conduct. We expect all officers, employees, members of the System’s Board of Directors, members of the System’s medical staff, independent contractors, consultants and other representatives of the System (collectively, “System Representatives”) to adhere to the highest standards of conduct whenever acting on behalf of the System. Violations of legal or ethical requirements jeopardize the welfare of the System, our System Representatives, our patients, and the communities served by the System.

The President and Chief Executive Officer (the “CEO”) has the authority and responsibility for the implementation of a Corporate Compliance Program. The Code of Conduct (the “Code”) is an essential part of this program. Specifically, the CEO in conjunction with the Chief Compliance Officer shall have the authority and responsibility for compliance with governmental laws and regulations, and shall have the authority to take all necessary actions to foster such compliance. These actions include, but are not limited to:

- Enabling the members of the Board of Directors (the “Board”) to exercise their duties of care, obedience and loyalty in their decision making and oversight activities, by helping to ensure the flow and forthright disclosure of information to the Board;
- Helping to ensure accurate financial reporting, including oversight of the independent auditors contracted by the System, and the overall integrity of the financial reporting process;
- Helping to ensure compliance with fraud and abuse laws when the System transacts business with referral sources; and
- Helping to ensure accurate billings for patient care services.

In turn, System Representatives have the responsibility to bring any situations that appear not to comply with the Code of Conduct to the attention of their respective supervisors or the Chief Compliance Officer.

The Code plays an important role in the System’s Corporate Compliance Program by defining the standards of conduct expected of System Representatives. Adherence to the Code promotes an overall atmosphere of ethical and honest behavior in the performance of our job duties. This atmosphere is fundamental to facilitating compliance with the laws, rules, and regulations that affect the System, and fostering our patients’ and the community’s confidence in the System’s integrity. The Code is not intended to replace, but rather supplement and support, compliance with governmental laws, rules, and regulations, as well as other System policies and procedures, as may be amended from time to time.
The Code provides guidance on how to resolve questions regarding legal and ethical issues and establishes a mechanism for reporting possible violations of law or ethical principles within the System. The guidelines contained in the Code are designed to assist System Representatives in making the right choices when confronted with difficult situations. The System will promote relationships based on mutual trust and respect, and will provide an environment in which individuals may question a practice without fear of adverse consequences. Ultimately, the responsibility for ethical behavior rests with each individual’s exercise of independent judgment.

II. STANDARDS OF CONDUCT

A. Patient Care Services

The System’s activities encompass, without limitation, patient care services such as the prevention and treatment of illness, as well as education and research. All such activities will be conducted with integrity, compassion, and a concern for human welfare and dignity. System Representatives are expected to make a good faith effort to meet or exceed a standard of exceptional service in a courteous manner. It is expected that every individual coming into contact with the System, whether patient, visitor, employee, physician, student, or volunteer, will be able to enjoy an atmosphere that fosters respect, personal safety and courtesy.

1. Provision of Quality Care

System Representatives shall follow standards of care based upon the identified needs of the patient without regard to ability to pay. System Representatives shall seek to avoid the provision of services that are medically unnecessary or ineffective. Every reasonable effort should be made to provide high quality health care to patients in an economical manner.

2. Patients’ Rights

System Representatives shall comply with applicable state and federal laws regarding patients’ rights. System Representatives shall respect patients’ rights and assist patients and/or their legally authorized representatives in understanding and exercising their rights and responsibilities.

The patient is the primary decision-maker with respect to his or her own health care. The patient has the right to accept, forego or withdraw from offered treatment. Information regarding diagnosis, treatment and/or research options and prognosis should be delivered in language that is understood to help ensure that the patient’s right to make an informed choice is preserved. System Representatives will work to help protect the rights of patients whose capacity to act as their own advocate is diminished by virtue of age or incapacity. Under certain circumstances, a legally authorized representative may have the right to make decisions related to patient care, including the use of life sustaining treatment. The System will work with such legally authorized representatives.

3. Patient Non-Discrimination and Accommodation of Special Patient Needs

The System acknowledges and respects individual patient differences, such as personal background, race, color, ethnic or cultural heritage, national origin, religious/spiritual views, communication needs, sex, age, marital status, veteran status, sexual orientation, handicap, and developmental
disability. It is the policy of the System that such differences will be respected in all patient service activities. All patients should be able to expect a high quality of care based on their unique health care needs, with respect for and regardless of, individual differences.

The System recognizes its responsibility to accommodate the special needs of patients and System Representatives with disabilities. The System will make every reasonable effort to comply with local, state and federal laws, rules and regulations that apply to such circumstances. These accommodations will be made in a manner that attempts to respect the dignity of all parties involved.

4. Patient Care Ethics Committee Consultation
The System recognizes differences of opinion among those who participate in patient care decisions. The System will seek to resolve all conflicts fairly and objectively. Ethics Committee consultation is available upon request.

5. Patient Admission, Transfer, and Discharge
Patient admission, transfer and discharge shall be properly conducted in an ethical manner and in accordance with applicable local, state and federal laws, rules and regulations. Patients who are in need of the System’s emergency stabilizing services shall not be denied services. In an emergency situation, financial and demographic information will be obtained after the immediate needs of the patient are met.

Patients whose specific condition or disease cannot be safely treated in the System shall be properly transferred to an accepting facility. A patient will be transferred to another facility only if his or her medical needs cannot be met and appropriate care is readily available at another facility. The patient may request a transfer to another facility. Such a request will be facilitated when medically appropriate and legally permissible.

6. Privacy of Patient Information
To provide the best care possible, the System collects health information about our patients, including information related to their medical condition, health history, medications, and family illnesses. It is also necessary to collect certain demographic, financial and insurance information to ensure that the proper parties are billed for the care provided. We recognize the sensitive nature of this information and are committed to maintaining its confidentiality.

B. Employee Working Environment
1. Diversity and Equal Opportunity Employment
The System is committed to equal employment opportunity in the work place. The System seeks a working environment free of discrimination on the grounds of race, color, religion, sex, age, disability, national origin or any other illegal factor. As is consistent with the high regard the System places upon employee satisfaction and respect, the System is committed to abiding by federal, state and local laws, rules and regulations dealing with employment matters.

Reprinted with permission from Polsinelli, Shalton, Flanigan, Suelthaus, 2008
2. **System Representative Relief from Participating in Patient Care**
   The System acknowledges that a System Representative may request to be relieved from participating in a particular patient’s care or treatment in a situation where the prescribed care or treatment presents a conflict with deeply held cultural values, ethical principles or religious beliefs. The System shall help ensure that patient care and treatment are not compromised if such a request is granted.

3. **Harassment and Workplace Violence**
   The System is committed to providing a work environment that is free from all forms of discrimination and/or conduct that can be considered harassing, coercive, disruptive or illegal. Actions, works, jokes or comments based upon an individual’s race, color, religion, sex, national origin, ancestry, age, sexual orientation, disability, military or veteran status or any other characteristic protected by law will not be tolerated. System Representatives have a duty to report unlawful harassment or violence of themselves or others. The incident should be reported in accordance with System policies, including without limitation to the System Representative’s supervisor, the Human Resources Department, a member of management or the Chief Compliance Officer.

4. **Drug-Free Workplace**
   The System believes that a safe working environment requires that System Representatives be unimpaired by drug and alcohol use. Possession or consumption of alcohol is prohibited while on System premises, except in designated areas when consumption has been authorized in advance, and then only in moderation.

5. **Workplace Health and Safety**
   The System is committed to providing a safe and healthy environment for patients, System Representatives and visitors. The System has implemented policies and procedures, as may be amended from time to time, designed to protect System Representatives from potential workplace hazards and help ensure compliance with occupational health and safety laws and regulations. System Representatives have a responsibility to become familiar with and understand how these applicable policies and procedures relate to their specific job duties. The System has also implemented policies and procedures, as may be amended from time to time, to help ensure compliance with environmental laws and regulations relating to the organization’s operations.

6. **Proper Control of Medications**
   The System is legally responsible for the proper handling and distribution of pharmaceutical products. We are responsible for preventing unauthorized access to and misuse of pharmaceutical products. System Representatives may not use medications dispensed by the System’s Pharmacy for personal use, unless prescribed in accordance with System policies and procedures, as may be amended from time to time. The unauthorized use of any prescription drug or controlled substance by any System Representative, including drug samples, is strictly prohibited. All System Representatives have a duty to safeguard and help ensure the proper use of prescription drugs and controlled substances maintained by the System in accordance with applicable laws, rules, regulations and System policies and procedures, as may be amended from time to time.
7. **Use of Resources**

It is the responsibility of each System Representative to help preserve the System’s assets, including time, materials, supplies, equipment and information. System assets are to be maintained for business and patient care related purposes only.

### C. Business Practices

1. **Financial Matters**

   System Representatives shall work to maintain the financial records of the System in an accurate and complete manner.

   The System accounting controls will be sufficient to provide reasonable assurance that:
   
   • Expenditures are made with proper approval and authorization;
   • All transactions are recorded to help the System prepare financial statements and account for resources in accordance with established policies;
   • Access to assets is permitted only with proper approval; and
   • Assets are adequately safeguarded, with any discrepancies immediately reported in accordance with System policies, including without limitation to management.

   The financial matters of the System, its System Representatives and patients are very confidential and private. System Representatives shall not reveal these matters to any outside parties without permission from the Chief Financial Officer or the Chief Executive Officer.

2. **Billing for Services Rendered**

   The System recognizes the imperative nature of accurate and timely billing. The System shall strive to help ensure that patients and third parties will be billed only for services actually provided and fully documented in the patient’s medical record.

3. **Business Courtesies**

   This part of the Code should not be considered an encouragement to make, solicit or receive any type of business courtesy, gift or invitation. It is the System’s policy to not allow gifts or other incentives to improperly influence business relationships or arrangements.

   (a) **Receiving Business Courtesies, Gifts and Invitations**

   **Social & Professional Events**

   Invitations from a current or potential business associate to attend a social or professional event may be accepted if attendance at the event serves a bona fide business purpose of the System or increases the community’s awareness of the System and our purpose.

   **Training, Education & Site Visits**

   Attendance at vendor-sponsored training, educational events or site visits may be accepted in the following circumstances:
• If training and education occurs as part of the purchase agreement related to a purchased product or service, and unless such reimbursement is part of a purchase agreement, System Representatives may not accept payment for or reimbursement of travel and lodging expenses associated with this type of training. A System Representative’s supervisor must pre-approve attendance at the training and reimbursement by a vendor for travel expenses, if any.

• If a System Representative is invited to a vendor-sponsored workshop, seminar or training sessions and the event is not limited to System Representatives; no fee is charged to any invitee or, if a fee is charged for some portion of the event, the same fee is charged or reduction is given to each invitee; the educational value to the System outweighs any recreational or entertainment value of the event. A System Representative’s supervisor must pre-approve attendance at the training.

**Gifts**
Gifts of a moderate value, generally $100 or less, may be accepted from an individual or organization that has a business relationship with the System. The appropriateness of a gift should be evaluated based on the likelihood that the gift will improperly influence or appear to improperly influence the System Representative’s decisions and actions. Questions pertaining to the appropriateness of a gift should be directed to a System Representative’s supervisor and/or the Hospital’s Chief Compliance Officer.

4. **Conflicts of Interest**
To ensure the continued confidence of the communities served by the System, System Representatives shall act in a manner consistent with their responsibilities to the System and shall take care that no real or perceived conflicts between personal interests and those of the System result in detriment to the System. In general, a conflict of interest may exist when a System Representative, an immediate family member of a System Representative, or a person or organization associated with the System Representative has an existing or potential interest that concerns the System. Although it is impossible to list every circumstance giving rise to an actual or potential conflict of interest, a conflict of interest may occur when (as more fully described in the System’s applicable Conflicts of Interest Policies and Procedures, as may be amended from time to time) a System Representative, a family member of the System Representative or a person or organization associated with a System Representative:

• Has a financial or ownership interest in an organization with which the System directly or indirectly does business or competes;

• Holds a position in an organization with which the System directly or indirectly does business or competes;

• Serves as a member of a governing board of an organization with which the System directly or indirectly does business or competes;

• Provides management or consulting services to an organization with which the System directly or indirectly does business or competes; or

• Uses or discloses information relating to the System for personal gain.
If a System Representative has reason to believe that he or she may have a conflict of interest, the System Representative shall promptly disclose the conflict of interest to the Chief Compliance Officer and in all other respects, comply with the System’s applicable Conflicts of Interest Policies and Procedures. Actual or potential conflicts of interest involving System Representatives will be evaluated and resolved in accordance with the System’s Conflicts of Interest Policies. If required by the System’s Conflicts of Interest Policies and Procedures, System Representatives will submit an annual conflict of interest statement.

5. **Political Activities**
The System will not participate in or intervene in, directly or indirectly, any political campaign on behalf of (or in opposition to) any candidate for elective public office. However, System Representatives may give their own money to political candidates and participate in political campaign activities on their own time.

6. **Accuracy, Retention and Disposal of Records**
Every System Representative is responsible for the integrity and accuracy of the System’s records. Records must not only comply with regulatory and legal requirements, but should also support our business practices and actions. Alteration or falsification of information on any record or document is strictly prohibited. It is important to retain and destroy records appropriately according to the System’s Records Retention Policy, as may be amended from time to time. If a System Representative believes that documents should be saved beyond the applicable retention period, he or she should consult the Chief Compliance Officer.

7. **Electronic Media**
All communication systems, electronic mail, Intranet, Internet and voice mail systems employed or provided by the System are the property of the System and are to be primarily used for business purposes. Reasonable personal use of the System’s communications systems is permitted; however, such communications are not private. The System reserves the right to periodically access, monitor and disclose, without notice, the contents of any e-mail or voice mail message. As a general rule, patient or other confidential information will not be disclosed through the Internet, unless System management authorizes such disclosure or as may otherwise be permitted by applicable System policies and procedures, as may be amended from time to time.

**D. General Legal Standards**
System services will be provided in accordance with applicable federal, state and local laws, rules and regulations. Such laws, rules and regulations relate to subjects such as licenses, permits, accreditation standards, access to treatment, consent to treatment, medical record-keeping, access to medical records and confidentiality, patient rights, Medical Staff membership and clinical privileges, and Medicare and Medicaid requirements. All System Representatives have a responsibility to be knowledgeable about and to comply with laws, rules and regulations affecting their job duties. System Representatives should immediately report violations or suspected violations of any law, rule or regulation in accordance with System policies, including without limitation to a supervisor, member of management or the Chief Compliance Officer.
1. Accrediting Bodies
It is the System’s intention and goal to interact with all accrediting bodies in a direct, open and honest manner. No action will intentionally be taken in our dealings with accrediting bodies that would mislead an accreditor or its survey team, either directly or indirectly.

2. Medicare/Medicaid Fraud and Abuse
Facilities that receive monies for items or services provided under the Medicare and Medicaid programs are subject to several laws, rules and regulations designed to prevent fraud and abuse. These laws were created to make certain that federal funds, which finance the Medicare and Medicaid programs, are used only for those purposes. Failure to obey these laws, rules and regulations can result in fines, jail and/or exclusion of the offender from the Medicare and Medicaid programs.

3. Antitrust
Antitrust laws are designed to create a level playing field in the marketplace and to promote fair competition. Discussing System business with a competitor could violate antitrust laws. Accordingly, System Representatives should not engage in discussions or agreements with competitors to establish, fix or control prices; to allocate or apportion service lines, markets, territories or patients; to boycott certain payors or suppliers; to disclose confidential bid information; or to engage in practices that are deceptive or otherwise unfair. System Representatives should not obtain proprietary or confidential information about a competitor through illegal or unethical means. System Representatives should not seek proprietary or confidential information when doing so would require anyone to violate a contractual agreement, such as a confidentiality agreement.

4. Copyright & Intellectual Property Laws
Consistent with the high value the System places upon proprietary information, the System pledges to comply with applicable federal, state and local laws, rules and regulations that protect intellectual property. Intellectual property includes, without limitation, patents, trademarks, service marks, trade secrets, and copyrights. During the course of employment, a System Representative may have access to intellectual property owned by other businesses. This information may include, without limitation, patents, techniques, publications or trade secrets. This information is confidential and should not be disclosed to others or used for personal purposes.

Conclusion
Underlying each of the above statements is the System’s overall commitment to act with integrity in all its activities and to treat System Representatives, patients, physicians, students, and the many other constituents served by the System with utmost respect. Supporting policies and procedures, as may be amended from time to time, shall be set forth in the System Policy and Procedure Manual and/or Department Policy Manuals and are available to System Representatives upon request. Please review specific policies and/or procedures for additional guidance.
III. COMPLIANCE WITH THE CODE

A. Questions Regarding the Code

The Chief Compliance Officer is responsible for implementation of the System’s Corporate Compliance Program, including this Code. The Chief Compliance Officer will work with members of management, as necessary, to implement this Code, which shall include training of System Representatives and enforcement of the Code. Any System Representative who has a question regarding the applicability or interpretation of this Code should direct the question to the Chief Compliance Officer in person, in writing or by telephone.

B. Reporting of Suspected Violations

System Representatives must report suspected violations of this Code. Reporting enables the System to investigate potential problems quickly and to take prompt action to deal with them. As a matter of policy, System Representatives will not be disciplined or subjected to retaliatory action as a result of making a report in good faith. Whenever possible, the confidentiality of the System Representative making the report will be protected.

Reports of possible violations of this Code, or of any law or ethical standard should be made in accordance with System policies, which may include without limitation reports to the System Representative’s supervisor. If the report is made to the supervisor, the supervisor will report the suspected violation in accordance with System policies, including without limitation to the Chief Compliance Officer. The System Representative may also report directly to the Chief Compliance Officer. A System Representative need not be absolutely certain that a violation has occurred before making such a report; rather, reasonable belief that a violation may have occurred is sufficient. System Representatives have a responsibility to come forward with any such information, without regard to the identity or position of the suspected offender.

C. Acknowledgment and Certification of Compliance

The System requires that all System Representatives sign an Acknowledgement confirming that they: (i) have received and read the Code; (ii) understand the Code and their own duty to comply with the Code; and (iii) have been given an opportunity to ask questions regarding the Code.

ACKNOWLEDGMENT

I acknowledge and confirm that I have received a copy of the Code of Conduct (the “Code”). I further acknowledge that I have read the Code and have had an opportunity to ask questions regarding the Code and what is expected of me. I agree to conduct myself, as an employee, Medical Staff member, agent, consultant or other representative of the System in accordance with the Code. I also agree that I have a duty to report any suspected violations of the Code.

Name: (Please Print) ________________________________________________________________________________________________________________

Department: ______________________________________________________________________________________________________________________

Signature _______________________________________________________________ Date: ____________________________________________________

Please return this page to the _________________________________________________________________________

Thank you.