

**TITLE: CODE OF BUSINESS CONDUCT / ETHICAL  
BUSINESS PRACTICES**

**Policy # CRP 005.3**

**MANUAL: CORPORATE COMPLIANCE  
POLICY/PROCEDURE MANUAL**

**Page 1 of 6**

**Effective Date: 02/28/07**

**Approval:**

/s/ George Pérez

**Reviewed/Revised:**

**George Pérez, President and CEO**

**3/24/03**

**04/03, 02/06; 01/07, 02/27/07,  
12/07**

## **VALUES CONTEXT**

Our value of Excellence calls us to expect accountability for excellence in performance and for adherence to professional and organizational standards.

### **1.0 PURPOSE**

Founded on the St. Joseph Health System Values and Value Standards, the Code of Business Conduct/Ethical Business Practices promotes the highest ethical business practices by requiring adherence to standards of business conduct and through examples of appropriate and inappropriate behavior as defined by relevant compliance standards.

### **2.0 SCOPE**

St. Joseph Health System has established a Code of Business Conduct/Ethical Business Practices policy and procedure as part of the Corporate Responsibility Program to provide employees with the essential guidelines needed to understand their responsibilities in connection with the Corporate Responsibility Program. The policy and procedure shall guide employees in their business interactions with suppliers, vendors, physicians, donors, politicians, and other interested parties. Such parties are a natural extension of St. Joseph Health System's own resources.

### **3.0 POLICY**

It is the policy of St. Joseph Health System (SJHS) to maintain the good name of each St. Joseph Health System ministry, to develop and maintain good relations between St. Joseph Health System and its interested parties, and to acknowledge that personal contacts form much of the basis for the opinions of the company. In addition, it is the policy of St. Joseph Health System to prevent unethical or unlawful behavior, to halt such behavior as soon as reasonably

possible after its discovery, and to discipline employees who violate the standards contained in this Code of Business Conduct/Ethical Business Practices and all related policies and procedures. Employees are expected to read the Code of Business Conduct/Ethical Business Practices, understand it, and follow its standards and procedures. The standards set forth below are a brief summary of what is more thoroughly described in the policies and procedures consisting of the SJHS Corporate Responsibility Program that are located on CareNet or through the SJHS Compliance Department.

#### Standards of Business Conduct/Corporate Compliance With Laws

##### A. BUSINESS CONDUCT AND PRACTICES

Value Standard: *Business is conducted ethically, with integrity, honesty, and confidentiality and in accordance with applicable laws and regulations.*

###### 1. Records Management

Business records must be prepared and maintained consistent with all applicable SJHS policies including those within the Corporate Responsibility Program related to ensuring compliance with federal and state fraud and abuse laws, and those policies relating to general operations relating to records management, transaction approval processes, and accuracy and timeliness in the completion of such records. This includes accurate reporting of time worked, business expenses incurred, research test results, billing and all other business-related activities. The law requires that all books, records, and accounts accurately reflect all transactions and disposition of assets. All transactions must be conducted in accordance with management's authorization. Errors or potential errors involving claims already submitted to the government or other payors, must be reported to the local Compliance Officer or the SJHS Compliance Officer.

###### 2. Confidentiality of Information

Information obtained, developed or produced by SJHS and its employees, information supplied by outside consultants or vendors for the benefit of SJHS, and information about SJHS patients is confidential. Confidential information includes, for example: financial data, patient information, proprietary reports, salary and position information, marketing and sales programs. Confidential information should not be disclosed to anyone outside of SJHS unless they legitimately need the information and have been properly authorized by management to receive such information. Confidential information should not be shared with other SJHS employees except on a "need to know" basis and with the agreement of the recipient to treat the information as confidential. Information shall be protected in a manner that is consistent with all

SJHS policies including those related to compliance with the HIPAA Privacy and Security rules and the Ethical and Religious Directives for Catholic Health Care Services.

3. Use of Resources

Employees must respect and protect company property. SJHS assets, such as office supplies, production equipment, and products must not be used for personal reasons. These assets should not be taken out of SJHS facilities unless necessary to perform company work. All employees should actively help to control costs through identification of practices that create repeat work or waste.

B. EMPLOYMENT PRACTICES

*Value Standard: Each ministry develops a work environment that promotes mutual respect, participation, equitable compensation, growth, and effective use of talents.*

1. Fair Treatment of Employees

SJHS has created and strives to maintain a work environment in which employees are treated with respect, diversity is valued and opportunities are provided for development. SJHS is committed to providing a work environment that is free from discrimination based on policies relating to equal opportunity employment, conflict resolution, recruitment and selection. Harassment or abuse of any kind is prohibited in the workplace. Discrimination in any work-related decision on the basis of race, creed, gender, sexual orientation, age, disability status, national origin, or any other illegal basis is also prohibited.

2. Workplace Health and Safety

SJHS provides each of its employees with a safe and healthy workplace in which applicable health and safety laws and regulations are observed. Employees are expected to abide by all safety rules and practices and assume responsibility for taking necessary precautions to protect themselves and their co-workers. Employees are also responsible for immediately reporting accidents and unsafe practices or conditions consistent with all applicable policies relating to workplace injury reporting.

3. Illegal Drugs and Alcohol

SJHS expects employees to report to work in condition to perform their duties, free from the influence of illicit drugs or alcohol pursuant to policies relating to fitness for duty. Reporting to work under the influence of illegal drugs or alcohol, using, possessing or selling illegal drugs while on the job or on SJHS property is forbidden.

C. PATIENT CARE

Value Standard: *Each ministry develops programs and processes to measure and continually improve quality.*

SJHS is committed to the compassionate delivery of appropriate, effective and quality care to its patients. Patients must always be treated with sensitivity, respect and professionalism. Employees are expected to observe all applicable standards of professional practice in all SJHS facilities and programs.

D. CONFLICTS OF INTEREST

Value Standard: *SJHS values and their key role in shaping organizational life are clear and explicit.*

Employees may not participate in any activities that could conflict with their responsibilities at SJHS without satisfying the requirements of the conflict of interest policy and other policies relating to the acceptance of distribution of gifts and gratuities. A conflict of interest arises when the personal interests or

activities of an employee appear to or may influence that employee's ability to act in the best interests of SJHS.

E. SPECIAL LEGAL RESPONSIBILITIES

Value Standard: *Business is conducted ethically, honestly and in accordance with applicable laws and regulations.*

1. Marketing Practices and Antitrust

SJHS products and services must be marketed, appraised and sold fairly and honestly solely on the basis of quality, capability, price, service level, and other legitimate attributes. SJHS and its employees are expected to compete fairly and in compliance with all antitrust laws. Employees should seek advice from their managers before taking any action which may compromise fair competition or compliance with antitrust laws or violate existing Corporate Responsibility Program policies applicable to marketing practices.

2. Not for Profit Status

SJHS and many of its affiliates are not-for-profit, tax-exempt entities. As such, the requirements for organizations not taxed under Section 501(c)(3) of the Internal Revenue Code and similar provisions of state law must be followed. Employees shall not use

SJHS resources or property for private use or benefit. Transactions must be in the best interest of SJHS and negotiated at arms length for fair market value. Employees faced with sensitive situations should consult with management for guidance.

3. Government Investigations  
Employees shall cooperate with legitimate government investigations. If an employee is approached by any person who identifies himself or herself as a government investigator or receives a subpoena or other written request for information, the employee should contact the Chief Compliance Officer.

#### **4.0 PROCEDURE**

Procedures/Implementation of the Code

A. Disciplinary Actions

Employees shall conduct themselves in a manner that upholds SJHS Values and complies with the Code of Business Conduct/Ethical Business Practices. Candidates for employment shall be subject to inquiry about past compliance violations and status relative to participation in federal health care programs. Continued employment shall be conditioned upon compliance with the Corporate Responsibility Program. Violations of the Code of Business Conduct/Ethical Business Practices and/or failures to adhere to the requirements of the Corporate Responsibility Program and related policies will result in disciplinary action, up to and including termination.

B. Reporting

Concerns regarding compliance with the Corporate Responsibility Program and related policies and possible violations of the Code or related policies and procedures are to be promptly reported to the SJHS Chief Compliance Officer. A special resource line that permits anonymous reports of non-compliance or possible violations has been established for this purpose, (877-808-8133). Employees are expected to fully cooperate in any investigation of business conduct which may violate the Code. Making a false report intentionally for personal gain is a violation of the Code and will result in appropriate disciplinary action.

C. No Retaliation for Good Faith Reporting

The success of the Corporate Responsibility Program depends on prompt, accurate reporting of violations and suspected violations without fear of retaliation. Consistent with the SJHS Non-retaliation policy, employees will not be subject to reprisals for reporting, in good faith, actions which they believe violate the law or do not comply with the Corporate

Responsibility Program or conform to the Code of Business Conduct/Ethical Business Practices.

- D. **Role of the Manager/Supervisor**  
 Managers and supervisors have a special responsibility to act and communicate consistently with the Code of Business Conduct/Ethical Business Practices and to comply with the requirements of the Corporate Responsibility Program. Managers and supervisors shall create and maintain a work environment that encourages ethical behavior and promotes adherence to the elements of the Corporate Responsibility Program. As part of the SJHS Human Resources Management Systems program, managers and supervisors will be evaluated based on their ability to meet the above expectations.
  
- E. **Questions Regarding the Code**  
 Questions regarding the Code of Business Conduct/Ethical Business Practices or the Corporate Responsibility Program should be directed to your manager or the SJHS Chief Compliance Officer. Continuing education regarding the Corporate Compliance Program and the Code will be provided to employees.
  
- F. **Dynamic Document**  
 This Code of Business Conduct/Ethical Business Practices will be changed as needed to better accomplish SJHS mission, values, goals and legal compliance.

Author/Department: SJHS General Counsel	
References:	
Reviewed/Revised by: Corporate Compliance Committee Laurie Clayton, Corporate Compliance Director/Privacy Officer	
Approvals: Board of Trustees (02/27/07)	Distribution: All Hospital Departments