

**Corporate Principles (Standards of Business Ethics and Conduct)**

*“Doing The Right Thing, The Right Way”*

**January 2008**

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### Setting the Standard

Dear Colleagues:

The purpose of this booklet is to give employees and representatives of Halifax Regional Health System (HRHS) a clear understanding of the principles that guide our actions in business. We ask that you read it thoroughly and use it as a resource to guide you in handling situations which may arise as you perform your workplace responsibilities.

Compliance with laws and regulations is a core requirement in our organization. With the growth and diversification of our operational activities, a written set of guidelines called Corporate Principles was developed. These guidelines ensure that honest, ethical, and professional standards are readily available to all employees and representatives of HRHS. Compliance starts with each of us individually, and your continued adherence to these principles is critical for our business success.

These Corporate Principles serve several purposes. They ensure that all employees and others who work at HRHS share the responsibility of keeping the organization in full compliance with all laws and regulations, standards of care, and policies governing healthcare delivery. They also communicate our commitment to exercise ethical business practices. In addition, these Corporate Principles familiarize employees with the fundamental standards of behavior expected in the workplace.

Halifax Regional Health System's mission – to provide quality and cost-effective services that improve the general health of those we serve – has earned our organization a reputation for providing measurable quality care that responds to the healthcare needs and values of all in the region. To protect this reputation, we must take the necessary steps to ensure that our conduct and actions are consistent with the highest levels of business ethics and legal compliance. Address any concerns about compliance to your supervisor, department manager, the Corporate Compliance Officer, or the Compliance helpline at 1-888-800-5095. Please note that callers to the helpline may remain anonymous, and there will be no Retaliation or retribution against any employee for reporting a compliance concern.

You can count on us to do everything in our power to abide by HRHS' Corporate Principles. We are counting on you to do the same. Together we will maintain our reputation for excellence and will continue to provide comprehensive healthcare services in our region.

CEO

Chairman, Board of Directors

President, Medical Staff

## Introduction

- **Halifax Regional Health System (HRHS) adopted this document of Corporate Principles in order to provide guidance to all employees and representatives of HRHS on the subject of ethical business practices and compliance with laws and regulations. All personnel are expected to follow these Corporate Principles and promptly report, without fear of retribution, any concerns they may have regarding possible violations of the principles set forth in this document.**
- **This booklet is not meant to replace existing HRHS policies and procedures, and many of the subjects covered in this booklet are addressed in greater detail in other HRHS documents, such as the Employee Handbook. If you have questions about a specific subject, or need additional clarification about a particular HRHS policy, you should contact your Department Manager, Director of Human Resources, or the Corporate Compliance Officer.**
- **These Corporate Principles are part of an overall HRHS Corporate Compliance Program that provides honest, ethical, and professional standards, as well as compliance with all applicable laws and regulations. While recognizing that it is not possible to define in complete detail the conduct expected of employees in every situation that may be encountered, these Corporate Principles reflect the standards that all employees or representatives of HRHS should endeavor to attain in their dealings with patients, physicians, employees, vendors, the community, and other third parties.**
- **Other aspects of the HRHS Corporate Compliance Program include: the establishment of a Corporate Compliance Officer, the creation of a Compliance helpline, the establishment of a Compliance training program for all current employees and new hires, and the ongoing monitoring and measurement of the effectiveness of the Corporate Compliance Program.**
- **The term “we” as used in this booklet, is meant to refer collectively to HRHS employees, board members, medical staff, volunteers, and other individuals that are authorized to act as representatives of HRHS.**
- **A glossary is included at the end of this booklet to provide further clarification on the meaning of certain terms and phrases. Those words that appear in bold print throughout the text of this document can be found in the glossary.**

### Laws and Regulations

- We will operate in accordance with all applicable federal, state, and local laws and regulations. This includes: Protecting **PHI** (protected health information) in accordance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA), using and disclosing such protected health information in accordance with the **HRHS** Notice of Privacy Practices and reporting or disclosing **PHI** to regulators, law officials (including **HRHS** victims of crime), disaster response and recovery agencies (in the event of a disaster), specialized government activities and the Department of Health and Human Services, in response to an investigation.
- We will not engage in any business opportunity that requires or suggests illegal or **unethical** activity.
- We will not offer or receive payment, in any form, for patient/resident referrals.
- We will promptly report any violations of laws or regulations to our supervisor, department manager, the **Corporate Compliance Officer**, or the helpline.
- We will not employ or contract with any individual or organization that is debarred, excluded, or is otherwise ineligible for participation in government financed health care programs, such as Medicare or Medicaid.

### Quality of Care

- We will treat our patients/residents, families, employees, and others whom we serve with dignity, respect, and compassion.
- We will recognize and uphold patient/resident rights in accordance with federal and state regulations.
- We will employ or contract with only those who are qualified, credentialed, and authorized to meet the needs of those we serve.
- We will comply with all standards and requirements of licensing and accrediting agencies.
- We will offer training and education opportunities to employees and those we serve.
- We will report deficiencies and errors to those responsible for assessing and taking the appropriate action.

- We will provide appropriate medical care without regard to race, religion, gender, national origin, sexual orientation, age, disability status, payer source, marital status, or any other classification prohibited by law.
- We will abide by all laws and regulations pertaining to the treatment, transfer, and discharge of patients seen in the emergency room.

### **Human Resources**

- We will maintain the highest level of business **integrity** and will avoid any actions that could adversely reflect upon the reputation of the organization.
- We will base decisions to hire, evaluate, promote, or terminate an employee upon individual merit, knowledge, capability, performance, and the needs of the organization. **HRHS** reserves the right to complete background investigations.
- We will ensure that employees are provided **non-discriminatory** terms, conditions, and privileges of employment in accordance with all applicable laws.
- We will honor the rights of employees to refuse to participate in specific treatments and/or procedures (as further described in the **HRHS** Staff Rights Policy) to which they have a moral and/or **ethical** objection.
- We will perform our responsibilities in good faith, in a manner that is in the best interest of **HRHS** and with the **due care** that a reasonably **prudent** person in the same position would use under similar circumstances.
- We will avoid all illegal conduct, both in business and personal matters, and will consistently promote public trust.
- We will provide a safe environment for staff and will not tolerate the illegal or unauthorized use of drugs or alcohol.
- **Harassment** or violent behavior will not be tolerated.
- We will be open, honest, and respectful in our business relationships with each other.
- We will follow **HRHS** policies and procedures and will refer any questions regarding our responsibility to follow “Doing the Right Thing, The Right Way” to appropriate management levels.
- We will strive to provide the finest personal service to patients, residents, and families by adhering to the Behavior Standards of the organization.

- We will require that all employees receive education/training on the **Corporate Compliance Program** and Behavior Standards upon initial employment and at least annually thereafter.

### *Environmental Safety*

- We will take all reasonable precautions to ensure our safety as well as the safety of patients, residents, visitors, and other personnel. We will follow all safety guidelines, and we will correct or report any safety hazards, unsafe work situations, or unsafe practices.
- We will promote sound environmental and safety practices to protect community resources and to prevent damage to the environment.
- We will provide a safe environment and will not tolerate the illegal or unauthorized use or possession of weapons, drugs, or alcohol.
- In order to promote the safety of all employees, residents, and patients, any employee who is directed by a physician to take a prescription drug that may adversely affect or impair performance on the job must report that circumstance to his immediate supervisor.
- We will report to our supervisor any practice or condition that may violate rules, regulations, Occupational Safety and Health Administration (**OSHA**) requirements, or **HRHS** policy or safety standards.
- We will comply with all applicable laws and regulations relating to the handling and disposal of hazardous substances and infectious waste, while ensuring that contractors hired to dispose of such material do so in an appropriate manner.

### *Confidentiality*

- We will respect and protect the confidentiality of all **HRHS** personnel, medical staff, patients, and residents. We will report any breach of **HRHS** privacy and security policies to our immediate supervisors and/or report such breach or suspected breach by contacting the helpline. Further, we understand that actions that jeopardize the privacy or security of protected health information are serious and subject to disciplinary action.
- Any complaints about **HRHS** privacy practices should be directed to the Privacy Officer.

- We will respect and protect **HRHS** proprietary information. This includes contracts, computer databases, and other business information that is the property of **HRHS**.
- We will comply with all laws and regulations that protect the privacy and confidentiality of medical, financial, personnel, proprietary and any other sensitive information or records in our possession. Retention of records, privacy, and security related policies and procedures and other related information will be maintained in accordance with applicable laws and regulations.

### **Billing and Coding**

- We will ensure that all billing and coding is accurate, timely, and in **compliance** with **HRHS** policies and with federal and state laws and regulations. Improper or illegal billing and coding practices such as **up-coding** and **un-bundling** will not be tolerated.
- We will ensure that diagnoses are properly coded and that they are supported by documentation in the patient/resident's medical record.
- We will only bill for services performed and properly documented in the patient/resident's medical record.
- We will not submit false, **fraudulent**, or **fictitious** claims of any kind for payment or reimbursement.
- We will take immediate steps to notify the payer and make corrections if inaccuracies are discovered in bills that have been submitted.
- We will refund all money received that is not due to us.
- We will respond to all questions, complaints, or disagreements regarding patient/resident bills in a straightforward, honest, and proper manner. If patient/resident or other responsible person questions or disagrees with billing information, we will provide appropriate information and access to a resolution process to address their concerns.

### **Assets and Property**

- We will safeguard and protect the property and interests of our customers and employees in accordance with the policies and procedures of **HRHS**.

- We will follow all **HRHS** policies and procedures pertaining to the proper expenditure of funds.
- We will safeguard and protect **HRHS** supplies, equipment, furnishings, and facilities.
- We will dispose of obsolete, surplus, or junked property according to **HRHS** policy.

### **Marketing**

- We will ensure that any statements, written communications, or other representations made by or on behalf of **HRHS** regarding our products and services are accurate, truthful, and complete.
- We will not promote medical services that are beyond our medical capacity and licensure qualifications.
- We will not engage in any activities that are in “restraint of trade.” These include activities such as price fixing with competitors; harassing competitors; or pricing services at a level intended to drive competitors out of business.
- We will provide individuals requesting information on health care providers or services with several choices based on the particular needs of the patient/resident. We will provide the names in an objective manner with the final decision resting with the individual.
- We will seek partnerships with other businesses and agencies which support community efforts that serve to improve and support the health of the community.

### **Conflicts of Interest**

- We will avoid actual or apparent conflicts of interest between our personal interests and responsibilities to **HRHS**. Any business activities (i.e., hiring, purchasing, and supervision) where there is a family or personal relationship, must be approved by appropriate **HRHS** management.
- We will not become involved, directly or indirectly, in outside interests that could improperly influence our actions.

- We will not offer or accept gifts of any type, including monetary gifts, which could constitute a **kickback** arrangement or an inducement for services or referrals.
- Employees and agents involved in the negotiation of contracts must ensure that all statements, communications, and representations are accurate, complete, truthful, and in **compliance** with applicable laws and regulations.
- We will promptly disclose in writing to our supervisor any potential **conflict of interest** that we believe may exist.
- Our medical decisions, including referrals, admissions, transfers, discharges, and care provided will not be affected by goals, incentives, or other financial arrangements we have with our administrators, managers, staff, and independent practitioners.
- Our medical decisions, including referrals, admissions, transfers, discharges, and care provided, will not be influenced by the nature of Halifax Regional Health System's relationship with other providers, payers, health plans or educational institutions, nor will our medical decisions be influenced by the personal involvement of key individuals with these organizations. We will avoid steering patients/residents to or away from other organizations because of our business relations with them, and when available, we will provide options to patients/residents and disclose any business relationships.
- We will not engage in **dual relationships** with patients/residents. We will disclose existing or potential **dual relationships** to a Department Manager, Director, or the Corporate Compliance Officer immediately.

### **Community / Social Responsibility**

- We are committed to being an excellent corporate citizen and will serve in a leadership role in the community.
- We will seek partnerships with other businesses and agencies which support community efforts for the benefit of those we serve.
- We will offer facilities that are modern, attractive, and well maintained.
- We will encourage and offer opportunities for volunteerism.

**Compliance Reporting / Helpline**

- To ensure that we comply with the HRHS Corporate Principles and report any suspected violations to the Department Manger, Directors, or the Corporate Compliance Officer. The Corporate Compliance Officer can be notified **directly at 1-434-517-3705, or call the organization's toll free Compliance helpline at 1-888-800-5095, between the hours of 9:00 a.m. and 7:00 p.m. EST Monday - Friday excluding designated holidays.**
- We understand that when calling the helpline, we have the option of remaining **anonymous**. We will promote an environment in which the reporting of concerns is encouraged.
- HRHS will appoint a Compliance Officer who shall attend and make reports to the Audit Committee.

**Corporate Principles Acknowledgment**

I hereby acknowledge and affirm that:

- I have received, read, understand, and agree to follow Halifax Regional Health System's Corporate Principles.
- I understand that it is my obligation to abide by and support Halifax Regional Health System's **Corporate Compliance Program**.
- I understand that my **compliance** with these standards will be reviewed as part of my annual performance evaluation.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)

All employees of Halifax Regional Health System are required to sign an acknowledgement of receipt and review of the *Corporate Principles* document.

This signed acknowledgment must be returned to Human Resources for inclusion in your personnel file.

## Glossary

**Anonymous** - To not provide one's name or to otherwise remain unidentified.

**Compliance** - Acting in accordance with policies and procedures and federal, state, or local laws and/or regulations.

**Conflict of Interest** - A situation in which the judgment or discretion of an individual with a duty to act on behalf of an organization, is influenced, or appears to have been influenced by that individual's personal considerations, rather than by the best interests of the organization.

**Corporate Compliance Officer** - The individual designated to oversee and monitor the implementation of the **Corporate Compliance Program**, and to serve as a coordinator for all of the organization's **Compliance** activities, such as: employee training, development of the helpline, and complaint investigation and follow-up.

**Corporate Compliance Program** - An organization wide program that is comprised of a code of conduct, internal monitoring, employee training, feedback mechanisms, and other features, all designed to minimize an organization's risk of violating federal statutes and regulations.

**Credentialing** - To review and verify a health care provider's qualifications.

**Dual Relationships** – For the purpose of this policy, dual relationships are defined as situations in which staff members and patients/residents simultaneously maintain a professional relationship and a conflicting outside relationship. A professional relationship and an outside relationship shall be considered to conflict whenever the following two conditions exist: (1) the staff person has a professional role as the provider or supervisor of services to the patient/resident that involves access to information about, or the exertion of control over the provision of services; (2) the staff person and patient/resident are involved in a hierarchical (authoritative), dependent or influential relationship that is not part of the patient/resident's treatment plan.

Examples of the first type of relationship are not limited to direct service provision but also include supervisory jobs and jobs in support services. Examples of the second type of relationship are not limited to romantic relationships but also include providing services to family members or entering into business dealings with patients.

**Due Care** - Proper or reasonable care for the situation.

**Ethical** - Acting in accordance with accepted principles of right and wrong.

**Fictitious** - Information that is imaginary or false.

**Fraudulent** - An activity conducted with the intent to deceive.

**HRHS** - Halifax Regional Health System - whose subsidiaries are: Halifax Regional Hospital (including Halifax Home Health); Halifax Regional Long Term Care (including The Woodview); Halifax Regional Development Foundation; Halifax Regional Properties; and Southside Health Services.

**Harassment** - Repeated disturbances or persistent attacks.

**Integrity** - Acting with honesty and sincerity.

**Kickback** - The direct or indirect payment of cash, or other value to any person to improperly induce favorable treatment.

**Non-discriminatory** - To treat one fairly, without prejudice or selectivity.

**OSHA** - The Occupational Safety and Health Administration of the United States Department of Labor.

**PHI** – Protected Health Information as defined by the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

**Proprietary** - Belong exclusively.

**Prudent** - To be reasonably cautious or mindful.

**Retaliation** - Inappropriate action taken in response to the actions of another.

**Un-bundling** - The practice of submitting bills in a piecemeal or fragmented fashion to maximize the reimbursement for various tests or procedures that are required to be billed together and therefore at a reduced cost.

**Up-coding** - The practice of assigning a billing code that provides a higher payment rate than the billing code that actually reflects the service furnished to the patient.