

APPROVED BY: ADMINISTRATION

EFFECTIVE DATE: November, 2010

REVIEW/REVISION DATE: November 2011; December, 2012, December 2013, January 2014, January 2015, January, 2016; January 2017, December 2017, January 2019, December 2019, January 2020, January 2022

1. Introduction and Purpose

Our community has entrusted Howard Memorial Hospital (HMH) to provide quality health care to our patients and residents, and to conduct our activities with integrity, dignity, and professionalism. Howard Memorial Hospital is committed to the highest standards of business ethics and integrity. Therefore, we have adopted the following Code of Conduct to provide employees with a guide to proper workplace behavior. Included are guidelines for ethical behavior and business conduct that are consistent with the law and the Hospital's vision, mission, and core values. We are all responsible for making sure our actions adhere to the laws governing health care as well as our own high standards.

2. Who must follow the Compliance Code of Conduct?

If you work for Howard Memorial Hospital, it applies to you. It applies to all HMH board members, employees, medical staff members, contractors, volunteers and others who conduct business for, or on behalf of HMH.

3. Managers and leaders have additional responsibilities

- 3.1. Do what is right, setting the example for others to follow.
- 3.2. Ensure employees are actively applying its principles, and understand the policies, laws and regulations that apply to each employee's work.
- 3.3. Be approachable: Be available, maintaining an environment where employees can comfortably ask questions or raise concerns.
- 3.4. Give feedback: Be respectful, providing appropriate and timely responses to questions or concerns.
- 3.5. Take action: Assess developing circumstances quickly and accurately, keeping the Compliance Committee informed of compliance and ethics concerns.

4. Mission Statement

HMH: "Improving the Health of the Communities We Serve"

HMH Compliance Committee: The Howard Memorial Hospital Compliance Committee mission is to reinforce Howard Memorial Hospital's ongoing commitment to the highest ethical, legal, and professional standards by providing direction, education, oversight, and guidance to all Howard Memorial Hospital employees. We are committed to creating a culture of ethics, integrity, and compliance with applicable laws, regulations, and policies. As a resource to all employees, we encourage you to contact us so we can work with you to navigate any compliance concerns you may have.

5. Vision

To be the respected healthcare leader providing service excellence to Southwest Arkansas.

6. Values

FIRE-C3 Fairness
Integrity
Respect
Excellence
Compassion
Communication
Commitment

7. Quality of Care and Patient Safety

Howard Memorial Hospital is committed to providing high-quality healthcare to all of our patients and delivering health services in an ethical, professional, and cost-effective manner. There will be a hospital-wide Performance Improvement/Risk Management plan coordinated by the Performance Improvement Director (refer to the Performance Improvement/Risk Management Program).

We are committed to treating every patient with respect and dignity and to providing care that is both necessary and appropriate. Every patient deserves compassionate and safe care that meets professionally recognized standards. It is important to remember the rights of each patient and to apply those rights in every situation. (Refer to **Patient Rights** and **Non-Discrimination** policies).

8. Emergency Treatment

We follow the Emergency Medical Treatment and Labor Act, (commonly called EMTALA), which requires an emergency medical screening examination and necessary stabilization of all patients, prior to obtaining financial information and regardless of the ability to pay. We do not admit, discharge, or transfer patients with emergency medical conditions based on their ability or inability to pay or any other discriminatory factor. Patients are only transferred in compliance with Federal and state EMTALA statutory and regulatory provisions. Any intentional failure or refusal to comply with the regulations will result in disciplinary actions.

9. Confidentiality of Patient Information

We understand that the information from a patient is sensitive and personal information. We strive to maintain the confidentiality of patients in accordance with applicable legal and ethical standards, including the Health Insurance Portability and Accountability Act, known as "HIPAA". Every patient will be provided with a Notice of Privacy Practices. This Notice establishes the patient's rights related to his or her health information maintained by this Hospital. We will refrain from accessing or revealing any personal, confidential or protected health information concerning patients unless authorized to do so, as required to perform treatment, payment or healthcare operations, or as required by law. We will release information to business associates only in accordance with legal standards and internal policies, which typically requires express written consent of the patient. We have an obligation to actively protect and safeguard confidential and sensitive information in a manner designed to prevent unauthorized disclosure of information. If an unauthorized disclosure occurs, we will report this issue to our Director or Manager, the Privacy Officer or the Compliance Officer immediately to remedy the disclosure. All employees, consultants, volunteers, and students will sign a confidentiality and security agreement.

10. Conflict of Interest

A conflict of interest is a situation when outside activities, personal financial interests, or other personal interests hinder, distract, influence or appear to influence the ability to make objective decisions in the course of employment. We have a duty of loyalty to the Hospital and must avoid conflicts of interest. We will act to protect the Hospital and its interests by acting in a way that positively represents our endeavors. When a conflict of interest or the appearance of a conflict of interest develops, we will disclose the conflict to Management immediately. Written approval by Management or Administration must be acquired before pursuing the activity or obtaining or retaining the interest. Types of activities that might cause conflicts of interest include, but are not limited to: ownership in or employment by an outside concern that does business with or competes with the hospital; conduct of any business, not on behalf of the Hospital, with any vendor, supplier, contractor or agency or any of their officers or employees; disclosure or use of confidential, special or inside information of or about the Hospital, particularly for personal profit or advantage.

11. Diversity and Equal Employment Opportunity/Harassment

We ensure that all employment decisions are made on a non-discriminating basis, and without regard to an employee's or applicant's race, ethnicity, religion, gender, gender identity, national origin, veteran status, age, sexual orientation or disability. We will make reasonable accommodations to the known physical and mental limitations of qualified individuals with disabilities. Employee information is confidential and will only be accessed as part of our job and when necessary to complete our work. No employee shall engage in any type of conduct that could be construed as sexual harassment or other illegal harassment. We strive to create a culture that is based on equality and the awareness of the rights of individuals.

We encourage the reporting of all perceived incidents of discrimination, harassment or retaliation. Persons who believe that they have been a victim of such conduct should discuss their concerns with at least one of the following persons:

- 11.1. Immediate supervisor
- 11.2. Human Resources Director
- 11.3. Compliance Officer
- 11.4. Senior Management... CEO, CFO, CNO

12. Positive Working Environment

We strive to create an environment that supports working in teams and respecting other people, regardless of their position in the organization. We will make ourselves accountable to one another for the manner in which we treat one another and for the manner in which people around us are treated. Undesirable and disruptive behaviors that intimidate coworkers, patients, and/or visitors, decrease morale, increase staff turnover or may threaten the safety and quality of services provided will not be tolerated. These undesirable and disruptive behaviors may be verbal, nonverbal or written. (Refer to the behavioral expectations and progressive discipline policies).

13. Legal Employment

We endeavor to provide the highest quality care and service to patrons. We maintain all professional credentials, licenses, and certifications that are necessary to perform our jobs. At all times, we comply with Federal and state requirements applicable to our respective disciplines. We do not knowingly contract with, employ, or bill for

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services rendered by an individual or entity that is: excluded or ineligible to participate in Federal healthcare programs; suspended or disbarred from Federal government contracts; or has been convicted of a criminal offense related to the provision of healthcare items or services and has not been reinstated in a Federal healthcare program after a period of exclusion, suspension, debarment, or ineligibility. A thorough search of the Department of Health and Human Services' Office of Inspector General and the U.S. General Services Administration's exclusion list is conducted to ensure compliance with this standard. If we become aware of an ineligibility action, we will report the issue to the Compliance Officer, Legal Services or Human Resources. If an employee joins our staff from the Federal government or a Fiscal Intermediary, we will ensure the person is not impacted by regulations restricting his or her recruitment and hiring.

14. Health and Safety

We promote a safe and healthy workplace by complying with the governmental health and safety rules and regulations. We follow policies and procedures when handling hazardous materials or dangerous instruments and are informed of their properties. When a situation arises that may cause an injury or accident, we immediately report it to our Director or Manager, Administration or the Safety Officer.

We are committed to a safe drug-free workplace. Reporting to work under the influence of any illegal drug or alcohol; having an illegal drug in your system; or using, possessing, or selling illegal drugs while on work time or property may result in termination. Prescription and controlled substances must be handled properly and by authorized individuals to minimize risks. Any appearance of mental impairment due to drug diversion will be reported to Management, Compliance or Human Resources for follow-up actions.

15. Gifts and Entertainment

Business transactions, whether offered, provided or received from vendors, contractors, other healthcare providers, physicians and other third parties shall be conducted free from offers or solicitations of gifts and favors or other improper inducements in exchange for influence or assistance in a transaction.

We do not solicit tips, personal gratuities or gifts from patients, their family members, or any other business associate. We may not accept cash or its equivalents (checks, gift certificates, stocks, coupons, etc.). If a patient or another individual wishes to present a monetary gift, he or she should be referred to the HMM Foundation. We will not accept gifts, favors, services, entertainment or other items of value to the extent that the Hospital's decision-making or actions might be influenced. Knowledge of any such conduct must be reported immediately to Administration, the Compliance Officer or Legal Services. If a gift is received that exceeds our guidelines, the person who received the gift will return it with an explanatory note. Examples of gifts that would be inappropriate include, but are not limited to, the following: tickets to sporting events with a face value over \$50.00, multiple gifts from a single giver that create more than a nominal aggregate total; and gifts to an employee's family members because of the employee's position.

We may accept non-monetary gifts of nominal value, (defined as a value up to \$50.00), upon a Director or Manager's approval (e.g., perishable items, free samples, training sessions, coffee mugs, etc.). We may accept an invitation to attend a vendor-

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sponsored meal, workshop, seminar or training session, which is geographically close to the Hospital. Attendance at out-of-town workshops, seminars and training sessions is permitted only with the Director or Manager and Administrative approval. If there is any concern whether a gift or invitation should be accepted, consult your Director or Manager, Administration, Compliance Officer or Legal Services.

16. Providing Gifts and Entertainment

Federal and state laws and regulations, including the Stark Law and the Anti-Kickback Law, govern the relationship between the Hospital and its referral sources. Referral sources include physicians or other entities that are in a position to refer patients to our facility. Any arrangement with a referral source must be structured to ensure compliance with the legal requirements, our policies and procedures, and with any applicable guidelines. Most arrangements must be in writing and approved by the proper approval process. We do not pay or offer items or services of value in order to induce referrals or as a reward for referrals. Any entertainment, gifts or tokens of appreciation involving a referral source must be undertaken in accordance with Federal laws, regulations, and rules regarding these practices.

We may provide gifts, entertainment and meals of nominal value to non-referral sources, such as Hospital customers, current or prospective business associates and other persons, when such activities have a legitimate business purpose and are reasonable and consistent with applicable laws. It is imperative to avoid the appearance of impropriety when giving gifts to individuals who have a relationship with the facility. An effort will be made to ensure that any gift we extend meets the business conduct standards of the recipient's organization. If there is any concern whether a gift, entertainment or meal should be provided, consult the Compliance Officer, Administration or Legal Services.

17. Physical Assets

We strive to make prudent effective use of the Hospital's resources including time, materials, supplies, equipment, capital, space and information. As a general rule, the personal use of Hospital resources is prohibited without prior Management approval. Everyone is responsible to ensure that we do not improperly and unreasonably use documents, telephones, computers, copiers, equipment, or Hospital licensed computer programs (e.g., access to inappropriate websites) for personal purposes. We do not use supplies or equipment for personal purposes or remove them from the premises, even just to "borrow" them. Occasional use of facilities and telephones, where the cost is insignificant, is permissible, but limited. To ensure compliance with our duties regarding the use of Hospital assets, periodic audits will be conducted, sometimes without notice, and may result in disciplinary action, up to and including termination.

We strive to protect the organization's assets from loss, damage, carelessness, misuse and theft. Our computers and sensitive documents are password protected and/or protected behind physical barriers. We do not discuss sensitive, confidential matters over cellular phones or in public areas. We screen files and downloads to ensure that they are free from viruses and hackers' intentions. We secure assets when they are not in use to prevent any misappropriation.

Travel and entertainment expenses should be consistent with the employee's job responsibilities and the Hospital's needs and resources. We may not have an interest in or speculate in products or real estate, the value of which may be affected by the Hospital's business. We may not divulge the Hospital's confidential information such as financial data, payer information, computer programs, and patient information for our own personal or business purposes.

18. Governmental Relations

Howard Memorial Hospital will not provide funds or resources directly to any individual's political campaign, political party or other organization, which intends to use the funds or resources primarily for political campaign purposes. This includes the use of the Hospital's facilities as an open forum for making political speeches. On limited occasions, the Hospital may engage in public policy debates where it has special expertise that can inform the public policy formation process. During these events, the Hospital may provide relevant factual information about the impact of decisions on the health care sector. An employee may personally participate in and contribute to political organizations or campaigns, but they must do so as an individual, not as a representative of the Hospital and they must use their own funds and time. Use of the facility's resources, such as telephone, fax, copiers or email, is not appropriate for personal engagement in political activities. Any activity that relates to political campaigns, such as ticket sales for political fund-raising or advertising for political candidates, is not allowed on the Hospital's campus.

19. Environmental Obligations

We strive to comply with the laws and regulations relating to our environment. We utilize all resources appropriately and efficiently and dispose of all waste in accordance with applicable law. The Hospital will assist appropriate authorities to remedy any environmental contamination for which the Hospital may be held responsible.

FINANCIAL INFORMATION

20. Accuracy, Retention and Disposal of Documents and Records

We are responsible for the accuracy and keep complete, clear documents and records. We maintain and comply with internal controls, regulatory and legal requirements, and our policies and procedures. All financial reports, accounting records, research reports, expense accounts, time-sheets and other documents must be accurate and clearly represent the facts or the true nature of the transaction. We will maintain for inspection all documents and records relating to reimbursement from Federal health programs for a period of six years or longer if required by law. All other information will be retained according to the law and our records retention policy. Information should not be destroyed in an effort to hide the information from governmental authorities.

21. Coding and Billing for Services

We will prepare and submit accurate claims for payment from governmental payers, commercial insurance payers and patients. We will comply with all Federal and state laws and regulations concerning proper billing and reimbursement of medical claims. We make every attempt to present claims for payment or approval that are not false, fictitious, exaggerated or fraudulent. We make every effort to ensure that entries in patient records are clear, complete and accurately reflect the item or service that was provided to the patient. No one may alter or falsify information on any record or

document. We strive to ensure that our records do not include guesswork, exaggerations or miscoding. If we change a record, we note the change as required by our internal policies. If we discover a claim, bill or code that contains a possible error, we have an obligation to investigate the potential error and if possible, correct the error prior to the bill or claim being submitted. If the issue cannot be resolved, we will report the issue to the proper authority, including Management, Compliance or Legal Services.

22. Financial Reporting and Records

All financial information must reflect actual transactions and conform to generally-accepted accounting principles (“GAAP”). We do not hide expenditures, funds, assets or liabilities. All funds and assets must be properly recorded in the books and records of the Hospital. If we ever become aware of or suspect any potential improprieties regarding accounting, internal controls, or auditing, we will report it immediately.

23. Leadership Responsibilities

We all have the obligation to follow the code of conduct, but the leaders of the Hospital are held to a higher standard and have a special responsibility to set the right tone. We must not sacrifice ethical and compliant behavior for business objectives. We expect everyone with a supervisory responsibility to exercise authority in a manner that is kind, sensitive, thoughtful, and respectful. We expect every supervisor to create an environment where all staff feels free to raise concerns and propose ideas, without any fear of retaliation. This includes situations where employees give criticism or raise an uncomfortable question. Management must remember that openness is essential to maintaining a healthy work environment.

24. No Retaliation

Retaliation is considered a serious violation and will not be tolerated. When an individual raises a good faith concern, calls the Compliance Reporting Line or fully cooperates with an investigation, retaliation against that person is strictly prohibited. Appropriate steps will be taken to protect those who report retaliation. Allegations of retaliation will be promptly investigated and if supported, will result in disciplinary action, up to and including, termination of employment of the individual responsible for the retaliation.

25. Compliance Program

The Compliance Program is charged with the responsibility of reviewing our compliance policies and acting to resolve/investigate specific compliance situations that may arise. The Hospital’s Compliance Program is led by the Compliance Officer and is supported by the Compliance Committee. The Board of Directors provides oversight for the Compliance Program. The compliance committee meets at least quarterly and will maintain written agendas and minutes for all meetings. Department directors will develop and submit departmental compliance plans and submit to the compliance officer annually.

Even though these individuals operate the Compliance Program, each one of us is part of the Compliance Program and has individual duties and responsibilities. The key elements of the Program include: setting written standards (the Code of Conduct and policies and procedures); conducting education and training to further the knowledge base of the organization; monitoring, auditing, investigating and resolution of compliance issues; providing a mechanism for reporting potential exceptions;

ensuring the eligibility of employees and business associates; and maintaining an organizational structure that supports the furtherance of the Program.

26. Reporting Compliance Issues

When we become aware of an issue that does appear inconsistent with the ethics and values of the Hospital, the issue may be addressed with your immediate supervisor if appropriate. However, if this is uncomfortable or you feel that it isn't appropriate, or if you have done so and your concerns have not been addressed, you may contact the Compliance Officer. Any compliance issues may also be reported by contacting the HMM Values Hotline or website. Calls to the Values Hotline or website allow an individual to confidentially disclose information to someone who is not part of the reporting structure of the Hospital. Any call to the Values Hotline or website has the option to remain anonymous. However, sometimes the only way for an investigation to proceed is if the caller provides details specific to the incident, such as department, location and in limited circumstances, the caller's name. When requested, strict confidentiality of the caller's identity will be maintained to the extent allowed by law. Access to the Values Hotline and website is available 24 hours a day, 7 days a week.

- 26.1. **Administration: 870-845-8006**
- 26.2. **Compliance Officer: 870-845-8014**
- 26.3. **Values Hotline: 1-844-927-0239**



www.howardmemorial.com/employee-resources

27. Investigations

We are committed to investigating all reported violations. The Compliance Officer will coordinate any findings from the investigations and review and recommend corrective actions or changes that need to be made. All employees are expected to cooperate with the investigation.

28. Corrective Actions

When an internal investigation substantiates a compliance violation, appropriate corrective action shall be promptly initiated. When appropriate, corrective actions may include prompt restitution of any overpayment amounts, notification of the appropriate governmental agency, institution of disciplinary action, and implementation of system modifications to prevent a similar violation from recurring.

29. Disciplinary Actions

Any person who is determined to have violated the hospital Code of Ethics is subject to disciplinary action. The precise discipline utilized will depend on the nature, severity, and frequency of the violation and may result in any of the following disciplinary actions:

- 29.1. Oral warning
- 29.2. Written warning or reprimand
- 29.3. Suspension
- 29.4. Termination
- 29.5. Restitution

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HMH requires that all employees sign an acknowledgement to confirm they understand that the provisions of the compliance program and its Code of Conduct are mandatory and that they agree to comply with its terms. New employees are required to sign this acknowledgment as a condition of employment. Adherence to and support of HMH's Code of Conduct and participation in related compliance activities and training will be considered in decisions regarding hiring, promotion, and compensation for all employees.

THIS HANDBOOK IS NOT INTENDED TO PROVIDE ANSWERS TO EVERY QUESTION THAT YOU MAY HAVE ABOUT HMH POLICIES, LAWS, OR REGULATIONS. IF YOU HAVE QUESTIONS REGARDING THIS DOCUMENT OR ANY COMPLIANCE ISSUES, DO NOT HESITATE TO CONTACT THE HOSPITAL COMPLIANCE OFFICER.

PHYSICIAN CERTIFICATION AND AGREEMENT OF COMPLIANCE

I certify that I have been given an opportunity to read the HMH Code of Conduct. I fully understand my responsibility in fulfilling the requirements set forth in this compliance document. I agree specifically to act in accordance with the policies of Howard Memorial Hospital set forth in this document and I understand that I will be subject to disciplinary action, including termination, for violating these policies or failing to report violations of these policies.

Signature: _____

Date: _____

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BOARD OF DIRECTORS CERTIFICATION AND AGREEMENT OF COMPLIANCE

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Signature: _____

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EMPLOYEE CERTIFICATION AND AGREEMENT OF COMPLIANCE

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Signature: _____

Date: _____