

# Code of Conduct



A Compliance Guide  
for the  
Children's Health  
System Community

3rd Edition Revision, 2010



CHILDREN'S  
HEALTH SYSTEM®

**Compliance  
with the  
Code of Conduct  
is an important  
part of fulfilling  
the Children's  
Health System  
mission, vision,  
and values.**



**CHILDREN'S  
HEALTH SYSTEM®**

## **Our Mission**

To provide the finest pediatric health services to all children in an environment that fosters excellence in research and medical education. CHS will be an advocate for all children and work to educate the public about issues affecting children's health and well-being.

## **Our Vision**

A better childhood for all children. We envision a childhood where all children have access to health care, live in safe neighborhoods, grow up in economically-stable families, and attend functional schools within communities that value each child as a unique human being.

## **Our Values**

Compassion  
Commitment  
Innovation  
Trust  
Teamwork

## **Our Commitments**

Obey the Law  
Provide Quality Care  
Maintain a Safe Environment  
Respect Privacy and Confidentiality  
Promote a Positive Work Environment  
Avoid Conflicts of Interest  
Use Company Assets Appropriately  
Maintain Accurate Patient and Business Records  
Ensure Accurate Coding & Billing Practices  
Display Ethical Behavior  
Conduct External Relations Appropriately  
Cooperate with Government Authorities

# Code of Conduct

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for the  
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System Community

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# To Children's Health System Community

Children's Health System is committed to comply with applicable laws, regulations, policies, and ethical guidelines.

The Code of Conduct is our compliance guidebook and includes our compliance philosophy, expectations, and Conduct Commitments that everyone associated with Children's Health System must follow. This 3rd Edition includes updated material from internal and external sources.

We must hold ourselves and each other to the highest standards of integrity, character, and professionalism. It is your duty to report a suspected violation as soon as possible. We encourage you to discuss the issue with your supervisor. You may also contact the Chief Compliance Officer or call the Compliance Hotline.

The Board of Trustees and Senior Administration join me in pledging to uphold the Code of Conduct and supporting the Corporate Compliance program. We expect supervisory staff to fulfill their responsibility of ensuring their team has sufficient information to comply with laws, regulations, and policies, as well as the resources needed to solve ethical dilemmas.

Thank you for your commitment to our children and their families. Your caring professionalism and individual integrity enhance our standing in the community, state, and region.

Very truly yours,



Wm. Michael Warren, Jr.



Wm. Michael Warren, Jr.  
Chief Executive Officer  
Children's Health System

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# Corporate Compliance Program

## PURPOSE

The purpose of the Corporate Compliance Program (Program) is to maintain and enhance an environment which encourages and assists Children's Health System (CHS) in complying with governing laws, regulations, accreditation standards, ethical guidelines, policies, procedures, and the Code of Conduct (Code).

*“The Corporate Compliance Program is designed to prevent, detect, and correct compliance violations.”*

*CHS Chief Compliance Officer*

## ELEMENTS

The Corporate Compliance Program includes the following:

- Chief Compliance Officer
- Corporate Compliance Division staff
- Code of Conduct
- Written policies and procedures
- Auditing and monitoring systems
- Compliance education program
- Processes for reporting suspected compliance violations
- Investigations of suspected violations resulting in corrective action
- Disciplinary guidelines
- Corporate Compliance Committee

The Corporate Compliance Committee consists of representatives from administration, finance, human resources, nursing, information technology, pharmacy, risk management, corporate compliance, primary care practices, and operations. The Committee reports appropriate issues to the Executive Corporate Compliance Committee comprised of the Chief Executive Officer, Chief Operating Officer, Medical Director, and Chief Compliance Officer.

These elements are included in the U.S. Department of Health and Human Services, Office of Inspector General (OIG) Compliance Program Guidance for Hospitals. The OIG is the investigative arm for the Centers for Medicare and Medicaid Services (CMS), the federal agency responsible for administering the Medicare and Medicaid Programs. The elements also follow the intent of the Federal Sentencing Guidelines.

*“Corporate Compliance Programs make good business sense in that they help a hospital fulfill its fundamental care-giving mission to patients and the community and assist hospitals in identifying weaknesses in internal systems.”*

*U.S. Department of Health and Human Services Office of Inspector General*

# Code of Conduct

The Code of Conduct (Code) is our compliance guidebook and serves as a reference for compliance standards. The Code directs us to conduct our business in an honest, professional, and proper manner. Failure to comply with this Code or other compliance requirements is a serious matter that can negatively impact our reputation and lead to disciplinary action or termination of services. It is our responsibility to learn, understand, and obey the rules.

The Code cannot include every type of compliance issue. We must refer to applicable CHS policies and procedures and speak with our supervisor or Chief Compliance Officer if we have questions.

## WHO MUST COMPLY WITH THE CODE?

The CHS community (our organization and related parties) including, but not limited to, employees, Board of Trustees, medical staff, contractors, providers, vendors, agents, representatives, consultants, temporary employees, volunteers, students, associated educational institutions, and other business partners must comply with the Code.

*“The Board of Trustees fully supports the Corporate Compliance Program and the Code of Conduct.”*

*Board of Trustees*

The Code and compliance policies and procedures are founded upon a set of Conduct Commitments that govern the way we perform our duties.

## Conduct Commitments

1. Obey the Law
2. Provide Quality Care
3. Maintain a Safe Environment
4. Respect Privacy and Confidentiality
5. Promote a Positive Work Environment
6. Avoid Conflicts of Interest
7. Use Company Assets Appropriately
8. Maintain Accurate Patient and Business Records
9. Ensure Accurate Coding & Billing Practices
10. Display Ethical Behavior
11. Conduct External Relations Appropriately
12. Cooperate with Government Authorities

# 1. Obey the Law

We are committed to comply with applicable laws, regulations, accreditation standards, policies, procedures, and ethical guidelines.

## **FEDERAL, STATE, & LOCAL LAWS & REGULATIONS**

Laws and regulations address areas such as confidentiality, security, patient rights, access to treatment, fraud and abuse, and governmental healthcare programs (Medicare and Medicaid).

### **Examples of Government Agencies affecting CHS:**

CMS	Centers for Medicare and Medicaid Services
DHHS	Department of Health and Human Services
DOJ	Department of Justice
DOL	Department of Labor
EEOC	Equal Employment Opportunity Commission
FDA	Food and Drug Administration
IRS	Internal Revenue Service
OCR	Office for Civil Rights
OIG	Office of Inspector General
OSHA	Occupational Safety and Health Administration

## **POLICIES, PROCEDURES, & THE CODE**

We must abide by CHS policies, procedures, and the Code, as well as specific departmental policies and procedures. CHS policies and procedures are accessible on the CHS Intranet-Resources link.

## **ACCREDITATION STANDARDS**

We must follow standards of accrediting agencies, such as the Joint Commission on Accreditation of Health Care Organizations.

## **ETHICAL GUIDELINES**

We have an ethical responsibility to do the right things for the right reasons in serving our patients and community. No Code can substitute for personal integrity, good judgment, and common sense in performing our duties. We must follow professional standards related to our services.

## 2. Provide Quality Care

CHS is committed to provide the finest quality health care for any child regardless of age, race, religion, or source of payment for care. Employees and medical staff will perform clinical services respecting the patient's fundamental right to considerate health care.

Objectivity in patient care and clinical judgment must not be compromised or appear to be compromised by financial incentive or risk. Policies, procedures, and related information on this issue are available upon request to patients, clinical staff, licensed independent practitioners, and employees.

### **PATIENT RIGHTS**

We treat each patient with respect and courtesy. We recognize the dignity of each patient as a human being with a unique cultural, social, and spiritual background. We respect patient, parent, and legal guardian rights to reasonable, informed participation in healthcare decisions.

We obtain appropriate informed consent of patients, parents, or legal guardians. Advanced directives are honored by CHS policy.

Patients, parents, and legal guardians have a right to discuss concerns and to file a complaint concerning patient care. If a healthcare error occurs, patients, parents, or legal guardians must receive a truthful and compassionate explanation about the error and the remedies available. The error will be investigated and, if necessary, corrective action taken. We inform patients, parents, and legal guardians of their rights to reasonable, considerate, and respectful care; personal privacy; security; confidentiality of information; and information about and participation in care.

### **ADMISSION, TRANSFER, & DISCHARGE**

Admission, transfer, and discharge criteria are based upon clinical guidelines.

We abide by the Emergency Medical Treatment and Active Labor Act (EMTALA). Patient physical, psychological, and social needs are assessed. Treatment is based on appropriate medical judgment. Anyone who comes to CHS with an emergency medical condition will be screened and treated based on medical necessity. When determining and providing treatment, financial incentives do not affect quality of care.

### **CONTINUUM OF CARE**

Quality patient care requires an integrated system of patient needs, service settings, diagnostic tests, treatment options, and healthcare providers comprising a continuum of care. We ensure coordination among the elements involved in quality patient care.

## **RESEARCH**

We respect the rights and dignity of research subjects and are committed to scientific integrity. Research, investigations, and clinical trials involving human subjects are conducted in accordance with approved research protocols, Institutional Review Board procedures, and CHS policy.

Misconduct in research is prohibited. We participate only in approved research projects and experimental testing, dispense only approved drugs, and provide only approved devices. The results of research activity at CHS are published. We use grant money in compliance with applicable laws and file honest and accurate reports to assure appropriate use of government funding.

*“One of the touchstones of our Health Care System is the deep trust patients place in their providers.”*

*Joint Commission on Accreditation of Health Care Organizations*

## **3. Maintain a Safe Environment**

### **PATIENT SAFETY**

CHS is committed to patient safety. We emphasize performance improvement and risk management processes by working together to prevent and report medical errors. Each of us is responsible for observing universal precautions when applicable. Only approved drugs, devices, and procedures may be distributed or used by licensed employees or medical staff to treat patients.

### **OCCUPATIONAL & ENVIRONMENTAL SAFETY**

CHS maintains a system to ensure a safe, functional, effective, and supportive environment. We comply with applicable laws and regulations regarding occupational and environmental health and safety and follow policies and procedures during emergency incidents.

*“OSHA rules must protect workers from today’s hazards and tomorrow’s threats.”*

*Occupational Safety and Health Administration*

### **CONSTRUCTION PROJECTS**

CHS obtains certificates of need/licensure and permits as applicable. We comply with the codes and standards currently adopted and enforced by the Alabama Department of Public Health. Drawings and specifications for projects are reviewed as appropriate by the CHS Facilities Division.

### **DRUGS & ALCOHOL**

CHS prohibits the illegal possession, distribution, sale, or use of drugs or alcohol. Staff is prohibited from being on CHS property under the influence of drugs or alcohol and may be subject to drug tests in accordance with Human Resources policy.

## 4. Respect Privacy & Confidentiality

We are required by law to strictly protect the confidentiality of certain types of patient and business information. Only authorized individuals can access, use, or disclose confidential patient and business information as needed to perform their jobs. We must never seek access to confidential information for malicious purposes, financial gain, or curiosity.

CHS business information such as strategy, prices, costs, terms of contracts, finances, and similar matters is private and should not be discussed with unauthorized individuals.

### PRIVACY PROGRAM

CHS complies with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) including privacy, security, transactions and code sets, National Provider Identifier, and Employer Identifier standards. The Privacy standards of HIPAA apply to verbal, written, and electronic patient information that reasonably could reveal a patient's identity.

CHS established a Privacy Program which sets forth policies and procedures designed to protect patient privacy and confidential patient information.

Patient information must be accessed and disclosed on a “need-to-know” basis. Confidential patient information should not be discussed in public areas of the hospital or outside CHS premises. Personal cameras or video devices must not be used to take pictures of patients or data. We must never post patient information on Internet web blogs, web diaries, or similar electronic communications.

To address identity theft risk, CHS implemented strategies to assist in the prevention of identity theft within CHS. Identity theft occurs when someone steals another's personally identifying information (i.e., social security number, credit card information) and uses it without their knowledge to commit fraud or other crimes.

We must work together to protect the identity of the families we serve, our colleagues, and ourselves.

***“Identity theft is a serious crime.”***

*Federal Trade Commission*

If you have questions regarding privacy and confidentiality, refer to specific policies and procedures (see HIPAA Manual at <http://hipaa.chsys.org>), discuss with your supervisor, or contact the CHS Privacy Officer.

Regarding confidential patient information –

***“ONLY KNOW IF YOU NEED TO KNOW.”***

*CHS Privacy Officer*

## 5. Promote a Positive Work Environment

CHS is committed to maintaining an environment in which we treat each other with honesty, fairness, and respect. Employees must not be subjected to discrimination or harassment on the basis of race, color, creed, religion, national origin, gender, age, disability, veteran status, or any other factor protected by law. Violence or intimidation of any type is prohibited.

Additionally, CHS staff will not be subjected to disruptive or unacceptable behavior including but not limited to the following:

1. Verbal attacks. Examples include: derogatory statements which exceed constructive criticism, instruction, or relevance to work environment; comments outside professional bounds; threats; racist, sexist, or other derogatory remarks aimed at any protected class.
2. Comments written in patient medical record about CHS staff which are inappropriate or exceed that which is necessary for patient care. Examples include criticism of clinicians involved in patient's care; negative statements regarding political or religious views or socioeconomic status of patient/family or CHS staff.
3. Sexual harassment. Examples include lewd and sexually suggestive comments or jokes; touching or gesturing that is deemed inappropriate in a professional environment or that has been disclosed or described as offensive to those involved.
4. Verbal outbursts and abusive use of equipment or supplies.
5. Violence or intimidation of any type using physical aggression or any object.
6. Refusal to accept or follow official direction, policies, or assignments; refusal to participate in committee or divisional affairs as assigned or to do so in an uncooperative or disruptive manner.
7. Deliberately damaging personal property of others.
8. Self-administration of invasive medical treatments on CHS premises.

Inappropriate conduct should be reported according to Human Resources Policy. CHS will investigate complaints and take corrective action (including disciplinary action). Even in the absence of a complaint, if supervisors are aware of inappropriate behavior, corrective action must be taken immediately.

## 6. Avoid Conflicts of Interest

Conflict of interest occurs when our judgment to make a good business decision is influenced by potential financial or personal gain. Additionally, a conflict of interest may result when we have a financial, business, or family relationship with a competitor, vendor, or contractor of CHS.

We are prohibited from engaging in a conflict of interest and must avoid even the appearance of wrongdoing. CHS respects our right to engage in personal activities which in no way conflict with work hours or reflect negatively upon CHS.

### **Examples of conflicts include:**

- Employees may not solicit or accept benefits that would create or even suggest an obligation to donors, vendors, or any person who may do business with CHS.
- Employees may not solicit orders, sell products, or distribute catalogs or literature for sales of products or services for personal gain (i.e., household goods, cleaning services, cosmetics, etc.) during work hours on CHS property without prior approval.
- Travel and lodging may not be accepted from or be reimbursed by vendors unless the travel or lodging is for educational or consulting purposes and is approved by the CEO or Chief Compliance Officer in advance.
- Employees may not accept excessive or elaborate meals from vendors.
- Employee purchases and discounts from vendors are permitted only when available to all employees.
- Goods received for promotional or evaluation purposes are to be used solely for CHS purposes.
- Employees may not serve on Boards of or work for other organizations if it is likely to conflict with their responsibilities at CHS or give the appearance a conflict of interest may exist.
- Employees must not trade in securities or buy or sell assets based on nonpublic, confidential information acquired through service at CHS.

### **GIFTS**

- Employees should never request or accept cash gifts or other gratuities from patients and patient family members.
- Employees should never request or accept gifts from vendors or other business partners unless they are given with no obligation and are of nominal value (\$50 or less per year).
- Employees should not give gifts using CHS funds to patients or patient family members unless they are given with no obligation and are of nominal value (\$10 per gift/\$50 annually per patient). Gifts provided with employee personal funds should be non-cash and in the amount reasonable and appropriate for the situation, but not violate applicable ethical and professional standards. If a gift from an employee to a patient/family is questionable, contact the Chief Compliance Officer.
- Employees may not provide cash or non-cash gifts, including meals or transportation, to government employees.

*“If you are offered a gift, ask yourself: Is there a business reason? Is it appropriate as to time, place, and value? Am I or do I appear to be obligated to the giver?”*

CHS Compliance Officer

This policy applies to employees, medical staff, and other members of the CHS community. If a potential conflict of interest develops, we must immediately disclose the situation to our supervisor or the Compliance Officer. Employees at Department Head level and above and all employees of certain departments are required to acknowledge annually their compliance with the Conflict of Interest policy. [Administrative Policy G 07 “Conflict of Interest”](#) may be found on the CHS Intranet.

## **POLITICAL ACTIVITY**

Political activities and contacts with government officials are conducted in accordance with applicable laws.

CHS is a tax-exempt organization. We cannot contribute CHS money, property, or services (including work hours) to political parties or candidates. Employees may not actively campaign or distribute political materials during work hours or on CHS property.

## **7. Use Assets Appropriately**

CHS assets including time, money, supplies, equipment, materials, buildings, information, electronic communications, and other property are to be used for company purposes only. Computers and software are essential to the activities of CHS. Specific policies relate to the safety, security, and confidentiality of data. Data is a valuable asset of CHS and passwords to access this data must be protected. Each employee is responsible for maintaining data accurately, completely, and securely. Refer to [Administrative Policy IM 14 “Computer Usage”](#) available on the CHS Intranet.

We are personally responsible to use CHS Internet and e-mail access for legitimate CHS purposes. CHS prohibits employees from using the Internet or e-mail to access, view, upload, download, store, transmit, or create obscene, hateful, defamatory, or other objectionable materials. See [Administrative Policies IM 15 “Electronic Mail”](#) and [IM 16 “Internet”](#) for detailed information.

CHS reserves the right to monitor use of any CHS property including computers, Internet, and e-mail. Misuse of these systems may result in disciplinary action, termination, and/or prosecution to the fullest extent allowed by law.

## 8. Maintain Accurate Patient & Business Records

Patient records meet documentation standards required for quality care, follow reimbursement regulations, and are completed promptly.

We must completely, accurately, legibly, and truthfully maintain records. We must not inappropriately alter records, including patient charts, revenues, costs, contracts, reports of time worked, business expenses, research results, laboratory results, and other business-related documents.

We must follow CHS policies in maintaining control over prescription drugs, particularly narcotic drugs and drug samples, and reporting discrepancies in inventories. Financial records and statements should be maintained in accordance with Generally Accepted Accounting Principles. No undisclosed fund or account may be maintained for any purpose.

### **RECORD RETENTION**

We are required by federal and state law to maintain certain records for specified periods of time in such areas as patient care, health and safety, environmental safety, tax, finance, human resources, contracts, and business activity. It is in the best interest of CHS not to retain certain records beyond their useful life nor the required retention period. We must follow policies concerning retention of records.

### **RECORD DESTRUCTION**

CHS patient and business records contain sensitive and confidential information. Therefore, records must be destroyed in accordance with CHS record destruction procedures.

## 9. Ensure Accurate Coding & Billing Practices

We must know and follow applicable financial, coding, and billing rules and regulations. The False Claims Act and other statutes prohibit knowingly (with actual knowledge, deliberate ignorance, or reckless disregard) submitting a false claim to the government or causing others to do so.

The law strictly forbids healthcare fraud and abuse, which includes submitting claims for reimbursement that are false, fraudulent, inaccurate, incomplete, duplicative, for non-covered services, for services not provided, and for services not medically necessary. The CHS billing process is designed to accurately bill for all necessary healthcare services that are (1) properly ordered, (2) appropriately delivered, and (3) adequately documented. We must exercise care to ensure we do not submit false claims or cause others to do so.

Mistakes in coding and billing, intentional or unintentional, can have serious consequences for CHS including severe civil and criminal penalties imposed by both state and federal governments. Financial penalties for violating the False Claims Act can total three times the amount of the claim plus fines of \$5,500 to \$11,000 per claim.

The False Claims Act contains provisions that allow an individual (whistleblower) to file a lawsuit on behalf of the government. If the lawsuit is successful, the individual may be eligible to receive a portion of the recoveries received by the government. The Act also contains a provision making it illegal for an employer to discharge, demote, threaten, harass, or discriminate against an employee as a result of the employee filing a False Claims Act suit. A mistreated whistleblower may sue the employer in federal court for reinstatement, two times back pay plus interest, and any special damages, such as attorneys' fees.

In addition, Alabama has a Medicaid Anti-Fraud Statute making it a felony to submit false claims or statements to the Alabama Medicaid Agency.

If you suspect an action or practice is not correct, report it to your supervisor, the Chief Compliance Officer, or the Compliance Hotline. You are protected by CHS policy and federal law from retribution/retaliation for reporting a violation.

We work with our business partners to provide prompt, specific, and helpful information to patients and payers with questions about charges. In addition, CHS has a process to review charges and resolve concerns promptly and courteously.

The CHS Chief Compliance Officer should be contacted for further information. A copy of the CHS Corporate Compliance False Claims Act Policy is available on the Corporate Compliance website at <http://compliance.chsys.org>.

***“We are all partners in fighting fraud and abuse in Medicaid.”***

*Centers for Medicare and Medicaid Services*

## **10. Practice Good Ethics**

CHS defines ethics as making choices that are consistent with the Code of Conduct, internal policies and procedures, and external laws and regulations. Ethics is about performing our work with personal integrity, professional judgment, and common sense. The continued success and reputation of CHS depend on our following legal and ethical requirements.

## **RELATIONSHIPS WITH BUSINESS PARTNERS**

CHS is committed to fair, reliable, and honest relationships with business partners as we work together to serve patients. Business partners, including suppliers and contractors, must abide by this Code and applicable legal and ethical guidelines. We expect business partners to share our commitment to corporate integrity by working with us to guard against fraud and abuse and to act in accordance with appropriate internal controls.

## **RELATIONSHIPS WITH COMPETITORS & ANTITRUST**

CHS makes business decisions on the basis of independent judgment. We are committed to compete fairly and to comply with antitrust laws and disclosure rules and regulations. We must not obtain proprietary or confidential information about a competitor through illegal or unethical means. We prohibit price fixing, stealing trade secrets, and boycotting. We do not discuss sensitive information about CHS operations with business partners.

## **ANTI-KICKBACK RULES**

We are prohibited from taking kickbacks, bribes, or other forms of inducement. A kickback occurs if someone refers a patient to another provider and receives something of value in exchange. If someone who can influence purchasing decisions at CHS takes money or anything of value from a vendor, this can be viewed as a kickback. Anti-kickback rules also apply to the recruitment of physicians, acquisition of research subjects, and the purchase of physician practices.

## **REFERRALS**

Referral of patients to services outside CHS is important to the continuity of care. If a referring physician (or his or her immediate family member) has an ownership or financial interest in the entity to which a patient is referred and payment for the referred services will be made from a federal or state healthcare program (such as Medicare or Medicaid), a federal law, known as “Stark,” may prohibit the referral. No member of the CHS community, including employees and medical staff, shall refer a patient for services in violation of the law.

## **CONTRACTS & PURCHASING**

Contracts, contract discussions, and purchasing decisions must be consistent with the law and fairly negotiated. When negotiating and approving a contract, we must be sure data generated, supplied, and represented is current, accurate, and complete. The Risk Management Department should review contracts for liability. CHS purchases are based on price, product quality, and customer service. Potential conflicts of interest in contractual relationships or purchasing decisions are reviewed.

## **INTELLECTUAL PROPERTY**

As a pediatric research facility, CHS routinely develops new treatments, tests, protocols, and patient care strategies. This information is proprietary in nature and must be protected from inappropriate disclosure. Therefore, the CHS Community must not disclose, under any circumstances, this type of information without proper authorization from CHS Administration.

Projects resulting from employee activities during work hours are intellectual property owned by CHS. If you have questions about ownership of intellectual property, contact the Chief Compliance Officer.

# **11. Conduct External Relations Appropriately**

## **CORPORATE COMMUNICATIONS**

Marketing activities are conducted in a factual, honest, and proper manner. We do not engage in advertising that is false, deceptive, or misleading. We do not make disparaging, false, or misleading comments about other companies.

Communications must be factual, informative, and clear to our patients and the public. The CHS name may not be used for commercial or promotional purposes by outside persons or entities or be identified with any other organization or its members without appropriate authorization.

Our Corporate Communications staff must display good judgment in developing public interest stories involving CHS patients and their families. Confidential patient information must be protected, and if used in a story, CHS must obtain proper authorization from the patient's parents or legal guardian.

If a CHS employee is contacted by the media regarding a patient, medical program, or hospital activity, they must refer the media to the Corporate Communications staff immediately. Corporate Communications staff will interact directly with the media and provide appropriate information.

## **FUNDRAISING**

As a not-for-profit organization, CHS relies heavily on contributions from donors and grantors to support many of its activities. Fundraising activities must be coordinated through the Children's Hospital Foundation (Foundation). We are encouraged to support these fundraising efforts.

The Foundation has the responsibility to maximize the effectiveness of fundraising programs which benefit CHS and safeguard the organization's fundraising reputation and integrity in the community.

The Foundation is committed to honesty and ethical conduct in all aspects of its operations, including protecting patient, family, and donor privacy.

The Foundation informs donors and grantors as to how contributions and grants will be utilized in accordance with the donor's intentions and grantor's guidelines and in compliance with the law. The Foundation provides donors and grantors with appropriate acknowledgment and recognition for their gifts and grants and ensures information about their donations is handled with dignity and respect.

## **12. Cooperate with Government Agencies**

CHS cooperates with government authorities while protecting our legal rights. Investigations or inquiries may take the form of letters, telephone calls, or personal visits. Employees may be contacted at work or outside CHS.

### **RESPONDING TO INVESTIGATIONS & INQUIRIES**

If a person approaches an employee and identifies himself or herself as a government investigator, the employee should contact his/her supervisor immediately. The supervisor should promptly notify the Chief Compliance Officer who will verify the credentials of the investigator, determine the reason for the investigation, and follow proper procedures for cooperating with the investigation.

When working with an investigator, employees have legal rights which include the right to have a CHS representative and/or legal counsel present and the right to confer with legal counsel prior to responding to questions.

Employees must be courteous and professional. We must tell the truth and not speculate, guess, or make misleading statements. We must not conceal, destroy, or alter relevant documents or cause other persons to provide false or misleading information.

By following proper procedures, the government can obtain the information to which it is entitled while CHS and employee rights are protected.

## **Auditing & Monitoring**

Auditing and monitoring systems are designed to detect unethical or illegal conduct by the CHS community. CHS conducts internal audits and coordinates external audits for compliance with fraud and abuse regulations. Financial and billing practices, including monitoring of coding and medical record documentation, are audited routinely.

The Chief Compliance Officer, Corporate Compliance Division staff, Corporate Compliance Committee members, and Supervisors evaluate adherence to compliance requirements and assist in identifying potential risk areas.

The Chief Compliance Officer reports auditing and monitoring results to the Finance & Audit Committee of the Board of Trustees on a regular basis. Senior Management and the Board of Trustees are committed to monitoring and enforcing the Corporate Compliance Program and the Code of Conduct.

### **BACKGROUND CHECKS**

Before members of the CHS community may perform services, background checks are performed for sanction or debarment from federally-funded healthcare programs and other areas as indicated under Human Resources and Corporate Compliance policies. CHS will not hire an employee or conduct business with a company that is listed by a federal agency as sanctioned, debarred, suspended, excluded, or otherwise ineligible for participation in federally-funded healthcare programs. Change of status of a member of the Children's Health System community must be reported to the Chief Compliance Officer immediately.

## **Compliance Education**

Education is a key element of the CHS Corporate Compliance Program. Completion of mandatory annual compliance education is included in annual performance evaluations and required for continued employment. You and your supervisor should verify your training is current and complete. Web-based and classroom training are available.

*“Knowledge is the key to prevention of compliance violations.”*

*CHS Chief Compliance Officer*

## **Reporting Suspected Compliance Violations**

If you learn of a violation of this Code, a law, regulation, policy, or procedure, it is your responsibility to report the violation. Ways to report include:

1. You are encouraged to seek guidance from your supervisor. If you are not comfortable discussing a suspected violation with your supervisor or if you speak with your supervisor and are not satisfied with the resolution, you may
2. Report the situation to the Chief Compliance Officer at **205.939.9006** or
3. Call the Reporting Hotline **800-624-9775**. Calls to the Hotline can be made anonymously.

4. Report the situation using the external online reporting website  
<https://www.integrity-helpline.com/chsys.jsp>.

Every effort will be made to protect your confidentiality to the extent allowed by law. Reports of possible violations are communicated to authorized individuals on a need-to-know basis. You are protected by hospital policy and federal law from retaliation for making a truthful and accurate report.

## FREQUENTLY ASKED QUESTIONS

**Q** How do I know for sure if something is wrong?

**A** If you are uncomfortable with certain behaviors or practices, speak with your supervisor or the Chief Compliance Officer.

**Q** What if I report to my supervisor that something is wrong, but he/she tells me not to worry about it?

**A** If you know something is wrong, report the situation to the Chief Compliance Officer or the Compliance Hotline.

**Q** Will I get in trouble if my suspicion turns out to be wrong?

**A** It is your right and responsibility to report suspected problems. If you have a concern and truthfully report it, our policy prohibits reprimand or retaliation.

You may be subject to discipline if you know of a violation but do not report it.

## Investigations & Corrective Actions

CHS investigates suspected violations promptly, thoroughly, confidentially, and fairly. If it is determined a possible violation occurred, corrective action plans are promptly implemented as needed. When necessary, reports of the suspected violation are sent to appropriate authorities for further investigation. CHS policy requires full cooperation with a government investigation into alleged violations.

### STEPS OF AN INTERNAL INVESTIGATION

1. Determine how the potential problem was discovered.
2. Review applicable policies and procedures.
3. Engage outside individuals as necessary.

4. Confidentially interview individuals involved.
5. Evaluate results to determine course of action.
6. Implement any necessary corrective action.

## Disciplinary Actions

Compliance requirements are strictly enforced. As part of performance evaluations, employees are evaluated on satisfying Compliance Program requirements. Violation of applicable law, policy, or this Code may subject anyone in the CHS community to disciplinary action, loss of medical staff privileges, termination, civil fines, and/or criminal penalties.

Progressive discipline can apply when –

### **EMPLOYEES**

- violate or assist others in violating a law, regulation, or policy,
- know of a compliance violation and do not report it,
- tell others not to report a compliance violation,
- fail to follow the Code, or
- follow improper communication channels when the Code is violated.

### **SUPERVISORS**

- do not supervise staff to ensure compliance,
- know of a compliance violation and do not correct it,
- do not communicate compliance requirements to staff, or
- attempt retaliation if staff reports compliance violations.

We expect our leaders to lead by example. Supervisory personnel must promote an environment of compliance and provide staff with appropriate information to meet compliance requirements.

# Conclusion

Children's Health System expects each person to whom this Code of Conduct applies to abide by the principles and standards set forth and to conduct the business and affairs of Children's Health System in a manner consistent with these principles and standards.

Failure to abide by this Code of Conduct, or the guidelines for behavior which the Code represents, may lead to disciplinary action, up to and including termination of employment or affiliation with Children's Health System.

Compliance is the right thing to do, it is CHS policy, and it is the law.

# COMPLIANCE ACKNOWLEDGMENT

I am responsible for knowing and complying with applicable laws, regulations, accreditation standards, policies and procedures, the Code of Conduct, and ethical standards governing CHS relating to my services.

I am responsible for reporting violations or suspected violations and will not be subject to retaliation or retribution.

I am responsible for complying with the Code of Conduct and the Compliance Program as a condition of employment or of performing services at CHS. I understand nothing contained in the Code of Conduct is creating a contract of employment or modifying the “employment at will” status.

I certify I have not been listed by a federal agency as debarred, sanctioned, excluded, or otherwise ineligible for participation in federally-funded healthcare programs. I understand if my status changes I am required to report this immediately to the Chief Compliance Officer.

I have received a copy of the Code of Conduct.

Printed Name \_\_\_\_\_

Signature \_\_\_\_\_

Department \_\_\_\_\_ Date \_\_\_\_\_



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