

January, 2010

Dear BHC Co-Worker:

Healthcare is a special industry in many ways. We are entrusted to care for individuals who are ill or injured and in a weakened state and to help communities improve their health. We share some of the happiest and saddest moments in the lives of our friends and neighbors.

Because of this significant responsibility, state and federal governments have developed laws and regulations to encourage consistency and fairness by all healthcare providers. In 1988, Baptist Health Care (BHC) began formalizing a compliance program to reflect our historical and ongoing commitment to comply with all laws and regulations as we serve the people of Northwest Florida and South Alabama.

The foundation of our compliance program is the behavior of each individual team member who serves our patients and communities. This Code of Conduct is intended to provide guidance and reflect behaviors consistent with laws and regulations and with our commitment to service. It has been approved by the BHC Board of Directors and is fully supported by the administrative and management staff.

Open communication with your supervisor on any issues of concern is encouraged. BHC has a non-retribution and non-retaliation policy. You will not be disciplined for the act of reporting a concern. However, reporting an inquiry or concern does not provide protection from disciplinary action for doing wrong.

We would ask that you please read this document carefully. We are all responsible for adhering to laws, rules, and regulations pertaining to healthcare and this Code of Conduct.

If there are any questions, please ask your supervisor or administrator to discuss them with you. If there are questions or issues that remain unresolved, you are invited to call our Corporate Compliance Office at (850) 469-7621.

Alfred G. Stubblefield  
President and Chief Executive Officer  
BHC Corporation

### Purpose of the Code of Conduct:

This Code of Conduct has been adopted by Baptist Health Care Corporation (BHC) to provide standards by which all members of the organization will conduct themselves. Individual conduct must be in a manner that protects and promotes organizational-wide integrity and enhances BHC's ability to achieve its organizational mission. The Code is intended to serve as a guide to help workforce members make sound ethical decisions during day to day activities, and applies to all employees, officers, administrators, board members, medical staff, vendors, contracted employees, consultants, students and volunteers.

### Baptist Health Care's Commitment to Legal and Ethical Conduct:

Baptist Health Care complies with all federal and state laws and regulations, including the requirement not to contract with sanctioned individuals or companies. Offers of employment or contract arrangements will be contingent upon ensuring that Baptist Health Care does not employ or contract with any ineligible person. As such, a background investigation will be initiated after a conditional job offer has been made. Such background information may include various degrees of information based on the levels of responsibility of that position. If you have ever been listed by a federal agency as debarred, excluded, or otherwise ineligible for participation in federally funded health care programs, you will not be qualified to work for or contract with Baptist Health Care. This stipulation also applies to any company/business associate doing business with or on behalf of Baptist Health Care.

### Quality of Care

**BHC is committed to providing the highest quality of service by meeting the needs of our customers with the utmost care and courtesy. We will perform our duties in a responsible, reliable, appropriate, and cost effective manner.**

We respect our customers' dignity, comfort, and convenience and will treat each with consideration, courtesy, and respect.

We recognize that our customers' time is valuable and so we will provide them with prompt service, always keeping them informed of delays and making them comfortable while they wait.

We will demonstrate sensitivity and responsiveness to customers and their families by listening attentively and patiently to our customers in order to fully understand their needs, including the recognition and acceptance of diverse backgrounds.

We will ensure that customers and their families are well informed about treatment alternatives and the various risk factors associated with each treatment.

We will not distribute unauthorized materials and information, nor solicit our employees, customers, or visitors for any purpose that is not approved or sanctioned by BHC.

We will make care decisions based solely on clinical needs and medical necessity.

We will only use personnel with the proper license, credentials, experience, and expertise in meeting the needs of our patients.

We will provide equal access to high quality care to our customers without discrimination to their age, gender, disability, race, creed, national origin, or ability to pay.

We will ensure that all medical record documentation is legible, accurate, complete, and timely to include dating and timing of entries. Authorized corrections will be done strictly according to policy.

We recognize that medical care can sometimes enter areas that are ethically charged. Medical ethic concerns are ethical problems that exist when the right thing to do is not clear or when individuals disagree about what is appropriate. Examples may include but are not limited to withholding life prolonging treatments (respirator, feeding tubes, dialysis) when there is no advance directive, what should a family member do when the patient's wishes are unknown or unclear or if the patient refuses medically necessary treatment. The Medical Ethics Committee serves as an educational forum and a consulting body for those seeking guidance.

We recognize that team dynamics is an integral part of patient care, and that all team members contribute information to further the quality of the patient's medical treatment.

### **Compliance With Laws and Regulations**

**BHC operates in accordance with high legal, moral, and ethical standards and with all applicable laws, regulations, and standards.**

We require that all statements, communications, and representations are accurate, complete, and truthful.

We will not tolerate false statements by employees to a government agency or other payor. Deliberate misstatements to government agencies or other payors will be grounds for disciplinary action.

Agreements with an actual or potential referral source must be in writing and approved by management. All forms of compensation paid to referral sources must be for the services provided and at the rates called for in the contract. Every payment must also be supported by proper documentation that the services contracted for were in fact provided.

We will not pay employees, physicians, or health care professionals for referral of patients, or accept payments for referrals we make.

We will ensure that all reports or other information required by and federal, state, or local government agency are filed timely, accurately, and in conformance with the applicable laws and regulations.

We will not engage, either directly or indirectly, in any corrupt business practice, including bribery, kick-backs or payoffs, intended to induce, influence, or reward favorable decisions of any customer, contractor, vendor, government personnel, or anyone in a position to benefit us in any way.

We will ensure that all drugs or other controlled substances used in the treatment of patients shall be maintained, dispensed, and transported in conformance with all applicable laws and regulations.

We will not sacrifice our professional standards, judgment, or objectivity to anyone. Any individual with any difference of opinion will be referred to the appropriate management for resolution.

We will not hire or contract with any individual who is currently excluded, suspended, debarred, or otherwise ineligible to participate in the federal health care programs or has been convicted of a criminal offense related to the provision of healthcare items or services and has not been reinstated in the federal health care programs after a period of exclusion, suspension, debarment, or ineligibility.

We will ensure that all contracts are in compliance with applicable laws, regulations, and accreditation standards by strictly following established BHC contract review and authorization policies.

We will engage in open and fair marketing practices, based on the needs of our community and consistent with our mission.

We recognize the critical role of research in improving the health status of our community, and we are committed to conducting all research activities with the highest ethical, moral, and legal standards.

### **Conflicts of Interest**

**BHC will perform it's duties on behalf of the company and our customers in a truthful and loyal manner.**

We will avoid any actions that may be reasonably construed to cause an actual or potential conflict of interest with us or our job responsibilities.

We will act in the best interest of BHC whenever dealing with suppliers, customers, or governmental agencies. This obligation includes not only those acts formalized in written contracts, but also covers the everyday business relationships with vendors, customers, and government officials.

We may accept unsolicited gifts of food or flowers from customers or business associates; however, these items should be shared with other department employees and should not exceed \$25 in value. In most settings, gifts of cash are not allowed. Any exceptions must be approved by the Vice President or Facility Administrator.

We will not become involved for personal gain with a BHC competitor, patient, or supplier.

We will not, under any circumstances, use or share inside information, which is not otherwise available to the general public, for any improper use.

We will not conduct business with any company in which there is a family relationship, without permission of the Compliance Office. This is allowed only after other appropriate companies have been considered.

We will ensure that all gifts to physicians are approved by the Medical Staff Office or the Corporate Compliance Office.

## **Maintaining a Safe Healthcare Environment**

**BHC will operate in an environment wherein the health, safety, privacy, and comfort of our patients and employees come first.**

Patient safety is specifically considered and is given highest priority throughout the organization when patient processes, functions, or services are designed or redesigned.

We shall comply with all laws and regulations concerning the handling and disposal of hazardous waste, as well as other applicable environmental laws and regulations.

We will provide medical services and products to patients that are appropriate and considered safe for intended use and are in compliance with all applicable laws, regulations, professional standards, and Baptist policies and procedures.

We shall comply with all of the safety rules, regulations, and procedures that we have created to protect the well-being of our patients, employees, and business.

We support an alcohol, drug and smoke-free workplace and therefore will not tolerate on the premises or on duty, the manufacture, dispensation, possession, distribution, use of illegal drugs, or other inappropriate substances.

We will report to our supervisor any practice or condition that might impact the health and safety of the facility health environment. It is inappropriate for anyone to be on BHC premises with any substance or device when its intended use is to cause harm. Weapons such as knives, firearms and explosives are not allowed on BHC premises. The only exception to the possession of firearms on BHC premises will be limited to national guard personnel, licensed armed guards, or law enforcement officers. An employee that is suspicious or knowledgeable about anyone carrying any type of weapon on the premises should immediately contact security personnel.

## **Proper Consideration of Human Resources**

**All staff contribute directly to our success and as such, BHC is committed to reasonably protect, support, and develop our staff to its fullest potential in a fair and equitable manner. BHC supports a culture that taps the full potential of employees and builds an environment that allows all people to feel appreciated, included, and valued. Professional growth, career development, and individual empowerment are actively encouraged and rewarded.**

We will conform to the high professional standards maintained by BHC.

We will offer equal employment opportunity and equal access to quality health care for all with no discrimination in hiring, transfer, or promotions because of age, gender, disability, race, creed, or national origin.

We will maintain a working environment free from all forms of harassment / disruptive behavior. Any and all forms of harassment, including those based on age, gender, disability, race, creed, or national

origin, by co-workers, supervisors, physicians, vendors, volunteers, or patients will not be tolerated. Harassment may consist of offensive comments, jokes, innuendoes, or other verbal, graphic, or physical conduct relating to an individual's age, gender, disability, race, creed, or national origin.

We will conform to the standards of our professions and exercise judgment and objectivity in the performance of our duties. Any differences of opinion in professional judgment should be referred to appropriate management levels for resolution in accordance with standard grievance procedures.

We will show courtesy and consideration to all employees and personnel of BHC, without regard to position or status. We recognize the value of a diverse workforce and will remain open to new viewpoints, ideas, and talents.

We will not engage in retaliation or reprisal against anyone who properly reports violations of law, regulations, or BHC policies. We promote an environment where reporting concerns are encouraged by all employees. Any employee who feels that he/she has been retaliated against after reporting a concern should immediately notify Human Resources, the Compliance Office, their Vice President or their facility administrator. We will not tolerate false reports or reports made in bad faith about a BHC employee or entity. An employee acting in good faith will not be penalized in any way for reporting such conduct concerning himself/herself or another person.

We will devote our working time to the responsibility of proper performance of our duties.

We will honor our commitment to report for scheduled shifts during times of natural or man-made disasters such as hurricanes, epidemics, or hazardous material exposure.

We will work to eliminate perceived or real barriers to diversity in operational, governance, and leadership positions.

We will not use the health information of our employees, their dependants or anyone else for any employment-related decisions unless such use is ethical and legal.

### **Billing and Coding Integrity**

**We shall promptly report to management any transaction that is not recorded in compliance with our policies and procedures.**

We require accurate bills, which include only services actually rendered, using billing codes that accurately describe the services, and are based on documented medical necessity.

We will take every reasonable precaution to ensure that our billing and coding work is accurate, timely, and in compliance with our policies and with federal and state laws and regulations.

We will not tolerate the submission of any claims that contain any kind of false, fraudulent, or inaccurate statements. We have adopted policies and procedures to prevent and detect fraud, waste and abuse that are in compliance with both federal and state law. Any employee who lawfully reports a concern is protected from retaliation by these same policies, as well as federal and state laws governing false claims.

We will submit claims only for medical services and supplies ordered by a physician and provided to a patient. Convenience items may be listed on the bill as “non-covered items” and billed directly to the patient/resident/client.

We will establish lawful and positive relationships with payor sources by negotiating treatment benefits in good faith, maintaining ongoing communication about patient/resident/client progress and billing within the parameters negotiated.

Patient care needs will be based solely on clinical decisions and not how the health care facility is compensated for care provided.

### **Stewardship of Property and Interests**

**BHC will protect against the loss, theft, destruction, misappropriation, and misuse of our assets and those of others entrusted to us, including physical property and proprietary information.**

We will safeguard all property that is placed in our care.

We will properly use all assets, property, equipment, and supplies that belong to BHC.

We will not engage in financial misconduct, including the outright theft of property, embezzlement of money, or the use of money belonging to BHC or our customers for any unauthorized purpose.

We will dispose of surplus, obsolete, and junked property or anything of value according to the established policies and procedures.

We will conserve resources and utilities such as natural gas, water, electricity and telephone service.

We will dispose of all hazardous or environmentally unfriendly material in the proper manner.

We will not use BHC resources for any unauthorized personal reasons.

We will obey all traffic laws and regulations while operating automobiles that belong to BHC.

We will not inappropriately share details about our building or computer security systems, surveillance systems or our policies and procedures that are designed to prevent unauthorized access or criminal conduct at our facilities.

We will protect our BHC identification badge to prevent theft or unauthorized use or access.

### **Privacy and Security of Information**

**The purpose of the Baptist Health Care Privacy and Security Program is to ensure the confidentiality, integrity and availability of the information we collect and use for health care and business purposes. The program extends to all information regardless of location or storage medium and it applies to both paper and electronic based information.**

Confidential information is protected by federal and state law and must receive the highest degree of protection. For our purposes, we've grouped this information into two categories:

Confidential Personal Information – Any information that can be considered personal in nature, such as diagnosis and treatment information, individual names, social security numbers, insurance numbers, credit card numbers, drivers' license numbers, dates of birth, automobile tags and registration information.

Sensitive Business Data – Any information that we collect and use for business purposes such as budgeting and financial data, staffing schedules and turnover statistics.

### Guiding Principles of Information Security and Privacy

We will become familiar and comply with policies and procedures relating to information security and privacy.

We will safeguard confidential information regarding our customers and coworkers from misuse, theft or unauthorized access.

We will share confidential information as necessary to provide prompt and effective treatment to our customers.

When sharing confidential information for purposes other than treatment we will adhere strictly to the minimum necessary standard and only disclose the minimum information necessary to accomplish the task.

We will use reasonable steps to ensure unauthorized persons do not overhear or see confidential information.

We will not place any confidential information in public areas where the information can be easily seen by unauthorized persons.

We will become familiar with the Baptist Health Care Notice of Privacy Practices and adhere to the patient privacy rights it contains.

We will use approved procedures for obtaining our own confidential information or that belonging to our dependants.

We will not access any confidential information, including our own unless we are doing so as part of our official duties.

We will not discuss any confidential information pertaining to our coworkers or others that we obtain in our official capacity unless doing so is ethical and necessary to complete our duties.

We will promptly report any theft or loss of confidential information to our supervisor.

### Principles Specific to Information in Electronic Form

We will access computer systems that contain confidential information by using our own unique identification (user ID).

We will not share our user IDs and passwords and will take reasonable steps to protect them from unauthorized disclosure.

We will not allow vendors or contractors to access any BHC computer unless approved by Information Services.

We will not load any unauthorized computer programs onto any BHC computer.

We will not disable or try to defeat any security device or procedure utilized by BHC.

We will not connect any unauthorized device to a BHC computer.

We will only use approved methods for storing confidential information electronically.

We will properly dispose of media such as floppy disks, DVDs, or CDs that contain confidential information.

We will not allow unauthorized persons such as family members to use any BHC computer.

#### Principles Specific to Information in Paper Form

We will properly dispose of confidential information by placing it in approved containers or by shredding.

We will store confidential information in a way that prevents unauthorized access.

When it is necessary to store confidential information, we will follow Baptist Health Care record retention policies and we will ensure the information is properly destroyed when the retention period has expired.

We will strictly adhere to company policy regarding the faxing of confidential information, including the verification of fax numbers and the use of approved fax cover sheets.

## **When You Believe There May Be a Problem**

If you believe you have information about health care providers, practitioners, entities, or other persons engaging in improper types of activities or arrangements, it is your responsibility to report these concerns. Employees reporting information in good faith will not receive any kind of reprisal or retribution. This provision, however, cannot be used to absolve or clear any personal confessions of wrongdoing.

1. Discuss concern with your immediate supervisor.  
The management structure (starting with your immediate supervisor) and existing policies and procedures should be used as the first approach.
2. Contact the Human Resource Manager at your facility.  
If you receive an unacceptable response or if you are unsuccessful using the initial reporting mechanism, the Human Resource Manager will arrange for you to meet with the area department head. If your concern is related to your treatment as an employee, you should meet directly with the Human Resources Manager. Should the settlement continue to be unsatisfactory, the Human Resources Manager will, in agreement with the employee, present the grievance to the Administrator.
3. Contact the Facility Compliance Liaison or Baptist Health Care Corporate Compliance Officer  
The Corporate Compliance Officer or a member of the Compliance Office will be available to discuss any concerns with you Monday through Friday from 9:00 a.m. to 5:00 p.m., or by special scheduled appointment and can be reached at (850) 469-2322. Please be aware that your personal contact may cause your identity to become known.
4. Call the Employee Compliance Hotline.

An Employee Compliance Hotline is also available should you desire to remain anonymous. Your identity will be protected to the limit of the law. The Employee Compliance Hotline can be reached at 1-800-955-3998. Concerns brought to the attention of the Compliance Office will be promptly and thoroughly evaluated and investigated for prompt resolution. Due to the nature of the hotline, detailed feedback may be difficult or impossible to provide due to confidentiality.

The Corporate Compliance Officer for Baptist Health Care is \_\_\_\_\_.  
Also, each BHC facility has a Compliance Liaison who can be contacted if you believe there is a problem that needs to be addressed. The Compliance Liaison for your facility is \_\_\_\_\_.  
He/she can be reached at \_\_\_\_\_.

## What Do You Do when You Think a Compliance Concern Exists?

Use FOCUS PDCA

### **Find**

What is your concern or opportunity for improvement?

### **Organize**

Who can help you? Report your concerns beginning with and continuing through the list of following resources until your concern is addressed:

- Supervisor
- Human Resources
- Compliance Office (1-850-469-7621)
- Management
- Senior Management
- Employee Hotline (1-800-955-3998)

### **Clarify**

What is the current knowledge of the concern or problem?

### **Uncover**

What is the root cause of the problem?

### **Select/Start**

Start the PDCA cycle. Initiate the improvement/process.

### **Plan**

Plan the improvement.

### **Do**

Implement the improvement.

### **Check**

Has the situation improved or been resolved?

### **Act**

Were the results achieved? If not, repeat PDCA. Make a decision to continue the improvement and track it for three months or try something new and repeat PDCA.