

## **CODE OF CONDUCT**

### **General Policy**

St. Joseph's Healthcare System (hereafter referred to as SJHS) is committed to achieving high standards of business and personal ethics for itself, and all individuals employed by or doing work for SJHS. Through performance in accordance with these standards, SJHS, its medical staff and all its employees will merit and enjoy the respect of its patients, the public, the business community, and regulatory authorities. As a Catholic institution, SJHS has embraced and incorporated, by reference, the Code of Pastoral Conduct of the Diocese of Paterson.

It is the personal responsibility of all employees to acquaint themselves with the legal and policy standards and restrictions applicable to their assigned duties and responsibilities, and to conduct themselves accordingly. Over and above the strictly legal aspects involved, all SJHS personnel are expected to observe high standards of business and personal ethics in the discharge of their assigned responsibilities.

### **Employee and Medical Staff Conduct**

It is the policy of SJHS that all the business of SJHS be conducted in accordance with the highest legal, ethical and professional standards in full compliance with all applicable federal, state and local laws and regulations regarding health care regulatory matters as well as the requirements of governmental and nongovernmental organizations.

All covered individuals must comply fully with all applicable statutes and regulations and are required to deal fairly, honestly and professionally with patients and their families, regulatory authorities, payors, suppliers and the community at large. Every individual must avoid any action, relationship or situation which could jeopardize or impair the confidence or respect in which SJHS is held by its patients and the general public.

Any individual involved in counseling and spiritual direction must always respect the rights and advance the welfare of each patient. Anyone who provides pastoral services or counseling to children must fulfill the safe environment requirements as designated by the Diocese of Paterson and attend Virtus training as directed.

### **SJHS as an Equal Opportunity Employer**

SJHS will not discriminate based on gender, age, race, color, religion, disability, etc. in its employment practice.

### **New Hire Job Qualifications**

SJHS shall verify the qualifications of job applicants, including background and criminal checks where applicable by law, prior to the offering of employment by SJHS.

### **Harassment**

SJHS shall provide a comfortable and secure working environment for its employees, free from physical, psychological, written or verbal intimidation or harassment. In accordance with this policy, harassment of any kind, including sexual and racial harassment, is illegal and will not be accepted nor tolerated by SJHS. Any incident, whether a single event or a persistent pattern of behavior must be reported immediately to Human Resources.

Examples of Harassing Behavior include but are not limited to:

- a. physical or mental abuse;

- b. racial insults,
- c. derogatory ethnic slurs or jokes;
- d. sexual advances or touching;
- e. sexual comments or sexual jokes;
- f. requests for sexual favors used as a condition of employment or to affect other personnel decisions such as promotion or compensation;
- g. display of offensive materials such as pornography or expressions of hate and discrimination;
- h. use of the internet to send or solicit sexual or offensive messages, threats, jokes or photos.

### **Individuals under Investigation**

Any employee under investigation for a criminal offense related to healthcare must notify their supervisor and the Corporate Compliance Office immediately.

### **Conflict of Interest**

SJHS expects that all employees exercise the utmost integrity in all transactions related to their duties at SJHS and its property. SJHS maintains a policy of full disclosure by its employees where a potential conflict of interest exists. SJHS has adapted the IRS Sample Conflict of Interest Policy.

Full disclosure of any situation in doubt should be made to the employee's immediate supervisor and the Corporate Compliance Officer, so as to permit an impartial and objective determination. Disclosure relates to the employee's activities as well as the employee's immediate family. Each employee must complete a Code of Conduct Statement of Understanding. Every member of management must complete an annual Conflict of Interest Disclosure Statement.

### **Supervision of Subordinates**

It is the policy of SJHS that all employees are properly supervised and that their job performances are evaluated fairly and objectively by their respective superiors. In accordance with this policy, a conflict of interest arises when a SJHS supervisor is in a position to supervise and/or evaluate an immediate family member who also works for SJHS. If this type of situation arises, the relationship must be disclosed to the Compliance Officer and the supervisor's superior and alternative arrangements must be made with regard to the supervision and evaluation of the subordinate, including a possible transfer of that individual to another department within SJHS. Immediate family member includes: spouse, child, parent, significant other, domestic partner, sibling, niece/nephew (if living with employee), grandparent

### **Employment of Relatives**

It is the policy of SJHS to hire the most qualified individual for an employment position within SJHS. In accordance with this policy, SJHS and its Human Resources Department gives no preference to relatives of SJHS employees who seek employment within SJHS.

### **Gifts to or by Employees**

It is the policy of SJHS that the practice of accepting gifts or gratuities is not only unnecessary and undesirable, but also contrary to the service interests provided by SJHS.

No employee may accept payment from any patient, family or physician for work performed either on his/her scheduled time or on overtime. Impersonal gifts are expected to be shared by a work unit (example: boxes of cookies or candies).

Certain business courtesies, such as payment for a lunch or dinner in connection with a business meeting normally would not be a gift within the context of this policy. However, such activity shall be limited in frequency. Under no circumstance shall an employee solicit favors for personal use. Tickets to sporting events, Broadway shows, etc. shall be donated to the Foundation. Any question as to whether a gift might appear to be improper or questionable should be addressed to their immediate supervisors.

### **Continuing Education and Training**

Vendors and suppliers of goods and services to SJHS may offer education or training programs without cost. Personnel may attend such training programs, but may not accept payment from the vendor or supplier for travel and lodging. If an employee attends such programs, they are encouraged to balance the perspectives of the vendor with the perspective of competing vendors.

### **Kickbacks and Rebates**

It is the policy of the Medical Center to neither offer nor receive any payment of monies, supplies or services regarding the referral of patients, purchase of supplies and/or the performance of services. Purchase or sales of goods and services must not lead to personnel or their families receiving kickbacks or rebates. Kickbacks and rebates can take many forms and are not limited to direct cash payments or credits. In general, if you or your immediate family stand to gain personally, directly or indirectly, through the transaction, it is prohibited. Such practices are not only unethical but are illegal in many cases.

### **Political Contributions**

No funds or assets of SJHS shall be used for federal, state or local political campaign contributions.

The above prohibitions apply only to the direct or indirect use of corporate funds or assets for political purposes and are, of course, not intended to discourage employees from making personal contributions to the candidates, parties or committees of their choice, or through any SJHS Political Action Committee. Under no circumstances shall employees be reimbursed in any way for personal contributions.

### **Confidential Information**

Employees frequently have access to confidential information concerning SJHS, its patients, and other employees and members of the SJHS medical staff. Safeguarding confidential information is essential to the conduct of our business. Caution and discretion must be exercised in the use of such information, which should be shared only with those who have a clear and legitimate need and right to know.

No employee shall disclose confidential information of any type, to anyone, except persons who need to know in the performance of their job as is required by a government agency or third party. Information regarding a patient or a member of the SJHS medical staff may not be released to third parties, government, or other organizations, without the consent of the person involved.

Any requests for information arising through a legal process (e.g., subpoena or court order) must first be referred to legal counsel before the release of information. Any other information requests, such as from the press, should be referred to the Public Relations Department.

### **Patient Service and Concerns**

The mission of SJHS is to provide high quality services to all our existing and prospective patients. All appropriate requests should be honored. When adjustments are warranted due to billing or administrative errors, employees will make them promptly and courteously. Equally important, we seek to continuously improve policies, procedures, services and products that contribute to patient satisfaction.

All patient complaints require a response, either verbally or in writing, by the President or his designee. Patient complaints and comments will be incorporated into the Patients Relations database.

**Document Services and Coding** It is the policy of SJHS to diligently, accurately and timely record medical services provided to its patients which information is used for billing purposes. SJHS will prepare accurate bills for services using proper billing codes utilizing the information documented in each patient's medical record.

### **SJHS Cost Reports**

SJHS shall diligently and accurately prepare and submit its Medicare Cost Reports in full compliance with current laws and regulations.

Additionally, it is a violation of the Code to:

- Deliberately file or submit a false, fictitious or erroneous claim to any payor;
- File a claim with reckless disregard for the falsity of the information;
- Reassign a code that has been originally assigned by medical record coders. Changes must always be substantiated by documentation found in the patient's medical record;
- Delay the prompt repayment of funds, which SJHS received in error.

### **Patient Rights**

SJHS is committed to promoting consideration of patient values and preferences, and protecting the rights of all patients. In providing services to patients, SJHS does not discriminate on the basis of race, age, religion, national origin, sex, sexual preferences, handicap, or source of payment. SJHS shall transfer a patient to another facility only if it is unable to provide the type or level of medical care appropriate for the patient's needs or if transfer is requested by the patient, and the patient's condition is appropriate for transfer.

### **Patient Care**

Providing quality patient care is the primary objective of SJHS. Decisions regarding the clinical care of patients are made separately from any payment issues in order to protect the integrity of the clinical decision making. SJHS has implemented policies and procedures addressing this issue that are available to all patients, clinical staff, licensed independent practitioners and Medical Center personnel upon request. SJHS will ensure that the professionals who are rendering medical care and treatment to its patients are properly credentialed and licensed.

### **Integrity of Records and Compliance with Accounting Procedures**

Accuracy and reliability in the preparation of all business records is mandated by law. It is of critical importance to the corporate decision-making process and to the proper discharge of SJHS financial, legal and reporting obligations. All bills rendered to patients, their representatives or third parties must accurately reflect the services provided, and the patients' medical records shall properly and accurately record those services. All business records, expense accounts, vouchers, payroll and service records and other reports are to be prepared with care and honesty. False or misleading entries are not permitted in the books and records of SJHS or any affiliated company. All corporate funds or assets are to be recorded in accordance with applicable corporate procedures. Compliance with accounting procedures and internal control procedures is required at all times. It is the responsibility of all employees to insure that both the letter and the spirit of corporate accounting and internal control procedures are strictly adhered to at all times. Any employee should advise the responsible person in their department or the Corporate Compliance Officer of any shortcomings they observe in such procedures. Such reporting also may be accomplished by use of the confidential SJHS reporting mechanism as set forth in this code of conduct policy. Reports may be made anonymously.

### **Marketing**

SJHS conducts its marketing activities in an honest, trustworthy and ethical manner. When providing information about its services to the public, SJHS to communicate clearly and accurately. SJHS takes necessary measures to ensure that its marketing activities conform to the requirements of applicable federal and state law. In particular, SJHS marketing activities shall not offer financial incentives to increase referrals.

**Dealing with Ineligible Companies** No contracts may be executed with companies that have been convicted of a criminal offense related to healthcare or that are debarred, excluded or otherwise ineligible for participation in governmental healthcare programs.

### **Administration of the Code**

The Code of Conduct will be administered by formal and informal means. Certain aspects of the Code will be administered and enforced through SJHS Compliance Program and other SJHS policies. SJHS will hold education sessions periodically to explain and discuss the Code of Conduct and the Compliance Program. Employee attendance at these education sessions is mandatory.

Employees also are encouraged to seek guidance regarding the application or interpretation of this Code of Conduct and are expected to cooperate fully in any investigation of a potential violation. The statements set forth in this Code of Conduct are intended as guidelines for employees. Routine questions of interpretation regarding the Code shall be directed to the employee's supervisor or to the Corporate Compliance Officer. If any employee believes the Code, or particularly the Compliance Plan, may have been violated, the employee promptly shall report the potential violation to the Corporate Compliance Officer or make use of the confidential Hotline. Violations of the Code of Conduct and the Compliance Plan may be disciplined by the Medical Center, up to and including dismissal. However, the Code of Conduct and the Compliance Plan do not set forth all of the reasons or situation in which employees may be disciplined.

### **Reporting Mechanisms**

One of the key ingredients of an effective compliance program is the development of a system which employees can use to report questionable behavior without fear of retaliation. We have

established a Corporate Compliance Hotline for this purpose that can be accessed by dialing **844-300-1079** or online at **[stjosephshealth.ethicspoint.com](http://stjosephshealth.ethicspoint.com)**.

Some examples of behavior that should be reported include the following:

- A serious breach of patient or employee confidentiality by a co-worker
- Accepting bribes or kickbacks from a vendor
- Unethical or illegal activities by any co-worker

Employees are expected to bring these types of issues or concerns to their immediate supervisor. The supervisor should then evaluate the situation and address it. If an employee feels their concerns are not properly resolved or if the problem involves their supervisor, employees must contact the next level of management or the Corporate Compliance Hotline.

When calling the Hotline, please be sure to provide as much information as possible to enable the Compliance Officer to research the issue. They will begin a detailed investigation and provide the results of that directly to the President. Calls can be made anonymously. All Hotline calls will be kept confidential to the extent possible and still permit investigation.

The Code of Conduct is not an employment contract, and SJHS may at any time modify the provisions of this Code of Conduct as it deems appropriate.