



Dear Colleague,

Re: Code of Conduct

Thomas Memorial and St. Francis Hospitals are well-known for their service and commitment to the community. Our guiding values are founded on the basic principle of integrity. Integrity is doing what is right by pursuing a high standard of conduct and honesty in all situations. This includes being legal and ethical in all business practices.

The laws and regulations that direct the business practices of hospitals are changing and complicated, and it is difficult to know the answer in every situation. It is, however, very important for you to ask if you have a question or concern about any business practice. The code in this booklet is intended to outline our business ethics and policy. Read this code carefully, discuss it with your manager, and be sure you understand it and the penalties for not complying.

If you have questions or concerns, discuss them with your manager, someone in management or the Compliance Officer. Use the "Integrity Line" (1-877-872-8254) if you wish to raise a concern anonymously. There will be no retaliation or retribution for raising concerns or asking questions.

Together we can meet the needs of our patients in today's complex health care environment and uphold the highest standards of service to which we are committed.

Sincerely,

Daniel J. Lauffer

President

Thomas Health System, Inc.

CODE OF CONDUCT AND ORGANIZATIONAL ETHICS

The Code of Conduct (“Code”) and Organizational Ethics Statement for Thomas Health System, Inc. (“Thomas Health”) has been developed to assist us in carrying out our daily activities within high ethical and legal standards. These obligations apply to our relationships with patients, affiliated physicians, third-party payers, subcontractors, independent contractors, vendors, consultants, and one another.

Our Code is an important part of our Organizational Ethics and Compliance Program. The Code has been developed to ensure that we meet our ethical standards and comply with applicable laws and regulations. It is intended to be a comprehensive and easily understood statement. The purpose of our Code of Conduct is to provide general guidance on subjects of wide interest within the organization. Subjects are covered completely in some cases, but additional guidelines for individuals directly involved in a specific area may be necessary due to the complexity of the subject. We will review the Code of Conduct periodically to determine if revisions are appropriate and make any necessary revisions based on such review. Thomas Health is committed to compliance with all applicable laws and regulations that govern its operations. We expect that all individuals employed by, affiliated with, or contracted by or with Thomas Health, including Board members, officers, managers, employees, physicians, contractors, agents, and volunteers, will conduct themselves in a legal and ethical manner consistent with applicable law and this Code of Conduct.

Leadership Responsibilities

Leaders must ensure that those on their team have sufficient information to comply with law, regulation, and policy; as well as the resources to resolve ethical dilemmas. They must help to create a culture, which promotes the highest standards of ethics and compliance. This culture must encourage everyone in the organization to address concerns when they arise. We must never sacrifice ethical and compliant behavior in the pursuit of business objectives.

Commitment to Our Customers

In fulfillment of our Mission, we are committed to providing a broad continuum of quality health care services to enhance the well-being of the people we serve.

We make the following commitments to our customers:

Patients: We strive to provide excellence in quality and compassion in the delivery of healthcare that reflects our concern for people through sensitive, compassionate, responsive and efficient care.

Employees: We are committed to a work setting which treats all employees with fairness, dignity, and respect, and affords them an opportunity to grow, to develop professionally, and to work in a team environment in which their ideas are considered.

Physicians: We are committed to provide a work environment that has “state of the art facilities” and equipment and a team of valued, caring and highly skilled healthcare professionals.

Educational Institutions: We are committed to cooperate with educational institutions to provide clinical experiences for students in healthcare related programs.

Third-party Payers: We are committed to deal with our third-party payers in a way that demonstrates our integrity and commitment to contractual obligations and reflects our shared concern for quality healthcare and bringing efficiency and cost effectiveness to healthcare.

Regulators: We are committed to an environment in which compliance with rules, regulations, and sound business practices is woven into our corporate culture. We accept the responsibility to aggressively self-govern and monitor adherence to the requirements of law, our policies and Code of Conduct.

Joint Venture Partners: We are committed to fully perform our responsibilities to manage any jointly owned ventures in a manner that reflects our mission and values and applicable laws and regulations.

Community: We are committed to understand the particular needs of the communities we serve and provide to these communities high quality, cost-effective healthcare service. We realize as an organization that we have a responsibility to help those in need. We support charitable contributions and events in the community.

Suppliers: We are committed to fair competition among prospective suppliers and the sense of responsibility required of a good customer.

Volunteers: We are committed to ensure that our volunteers feel a sense of meaningfulness from their volunteer work and receive recognition for their volunteer efforts.

Relationships with Our Healthcare Partners

Patients

Patient Care and Rights

We want to be the first choice for those in need of healthcare by providing the highest quality of service to all of our patients. We treat all patients with respect and dignity and provide care that is both necessary and appropriate. We make no distinction in the admission, transfer or discharge of patients or in the care we provide based on race, color, religion, or national origin. Clinical

care is based on identified patient healthcare need, not on patient or organizational economics or financial incentives.

Federal law generally prohibits offering or paying rewards, incentives, discounts, or other items of value to federal health care program beneficiaries, such as Medicare or Medicaid patients, if the offer is likely to influence the beneficiary's choice of provider of services or items that are paid for by their Medicare or Medicaid plan. We generally do not provide gifts to patients or prospective patients. There are limited exceptions to this general rule. You should avoid offering gifts or discounts to patients except in limited circumstances as approved by senior leadership.

Upon admission, each patient is provided with a written statement of patient rights. This statement includes the rights of the patient to make decisions regarding medical care and conforms to all applicable state and federal laws. Patients will be given choices of providers for services and supplies such as durable medical equipment, respiratory equipment, long term care and home health services.

We assure patients' involvement in all aspects of their care and obtain informed consent for treatment. As applicable, each patient or patient representative is provided with a clear explanation of care including, but not limited to, diagnosis, treatment plan, right to refuse or accept care, care decision dilemmas, advance directive options, estimates of treatment costs, organ donation and procurement, and an explanation of the risks and benefits associated with available treatment options. Patients have the right to request transfers to other facilities. In such cases, the patient will be given an explanation of the benefits, risks, and alternatives.

Patients are informed of their right to make advance directives. Patient advance directives will be honored within the limits of the law and the organization's capabilities.

Patients and their representatives will be accorded appropriate confidentiality, privacy, security and protective services, opportunity for resolution of complaints and pastoral counseling. Any restrictions on a patient's visitors, mail, telephone, or other communications must be evaluated for their therapeutic effectiveness and fully explained to and agreed upon by the patient or patient representative. During prolonged stays in the facility, patients have the right to refuse to perform tasks in or for the facility.

Patients are treated in a manner that preserves their dignity, autonomy, self-esteem, civil rights, and involvement in their own care. Compassion and care are part of our commitment to the community we serve. We strive to provide health education, health and wellness promotion, and illness-prevention programs as part of our efforts to improve the quality of life of our patients and our community.

Emergency Treatment

We follow the Emergency Medical Treatment & Labor Act ("EMTALA") in providing emergency medical treatment to all patients, regardless of ability to pay. Anyone with an emergency medical condition is evaluated and treated based on medical necessity. In an

emergency situation, financial and demographic information will be obtained only after the immediate needs of the patient are met. We do not admit or discharge patients simply on their ability to pay.

Patients will be transferred to another facility only if the patient's medical needs cannot be met and appropriate care is known to be available at another facility or at the patient's request. Patients may only be transferred after they have been stabilized and are formally accepted by the alternate facility.

Patient Information

We collect information about our patient's medical condition, history, medication, and family illnesses to provide the best possible care. We realize the sensitive nature of this information and are committed to maintaining its confidentiality. We do not release or discuss patient-specific information with others unless it is necessary to serve the patient or required or permitted by law.

Employees must never disclose confidential information that violates the privacy rights of our patients. No employee, affiliated physician, or other healthcare partner has a right to any patient information other than that necessary to perform his or her job.

Patients can expect that their privacy will be protected and that patient specific information will be released only to persons authorized or permitted by law or by the patient's written consent. In an emergency situation, when requested by an institution or physician then treating the patient, the patient's consent is not required, but the name of the institution and the person requesting the information will be verified.

Physicians

Any business arrangement with a physician must be structured to ensure precise compliance with legal requirements. Such arrangements must be in writing and approved by legal counsel and may require approval of the Board of Trustees depending on the exact nature of the agreement. We do not pay for referrals. We accept patient referrals and admissions based solely on patient clinical needs and our ability to render the needed services. We do not pay or offer to pay employees, physicians, or other persons for referral of patients. Violation of this policy will have grave consequences for the organization and the individuals involved, including disciplinary action, civil and criminal penalties, and possible exclusion from participation in federally funded healthcare programs.

We do not accept payments for referrals that we make. No employee or any other person acting on behalf of the organization is permitted to solicit or receive anything of value, directly or indirectly, in exchange for the referral of patients. Similarly, when making patient referrals to another healthcare provider, we do not take into account the volume or value of referrals that the provider has made (or may make) to us.

Third-Party Payers

Coding and Billing for Services

We take great care to assure that all billings to the patient and to the government and private insurance payers reflect truth and accuracy and conform to all pertinent federal and State laws and regulations. We prohibit any employee or agent of Thomas Health from knowingly presenting or causing to be presented claims for payment or approval which are false, fictitious, or fraudulent.

We will operate oversight systems designed to verify that claims are submitted only for services actually provided and that services are billed as provided. These systems will emphasize the critical nature of complete and accurate documentation of services provided. As part of our documentation effort, we will maintain current and accurate medical records.

Any subcontractors engaged to perform billing or coding services must have the necessary skills, quality assurance processes, systems, and appropriate procedures to ensure that all billings for government and commercial insurance programs are accurate and complete.

Cost Reports

Our business involves reimbursement under government programs that require the submission of certain reports of our costs of operation. We will comply with federal and State laws relating to all cost reports. These laws and regulations define what costs are allowable and outline the appropriate methodologies to claim reimbursement for the cost of services provided to program beneficiaries. Given their complexity, all issues related to the completion and settlement of cost reports must be communicated through or coordinated by the vice-president(s) of finance.

Regulatory Compliance

Our services will be provided only according to appropriate federal, State, and local laws and regulations. Such laws and regulations may include subjects such as certificates of need, licenses, permits, accreditation, access to treatment, consent to treatment, medical record-keeping, access to medical records and confidentiality, patients' rights, terminal care decision-making, medical staff membership and clinical privileges, corporate practice of medicine restrictions, and Medicare and Medicaid regulations. The organization is subject to numerous other laws in addition to these healthcare regulations.

We will comply with all applicable laws and regulations. All employees, medical staff members, privileged practitioners, and contract service providers must be knowledgeable about and ensure compliance with all laws and regulations and must immediately report violations or suspected violations to a supervisor, member of management, or the Compliance Officer.

We will be forthright in dealing with any billing inquiries. Requests for information will be answered with complete, factual, and accurate information. We will cooperate with and be

courteous to all government inspectors and provide them with the information to which they are entitled during an inspection.

During a government inspection, we will never conceal, destroy, or alter any documents, lie, or make misleading statements to the government representative. We will not attempt to cause another colleague to fail to provide accurate information or obstruct, mislead, or delay the communication of information or records relating to a possible violation of law.

In order to ensure that we fully meet all regulatory obligations, employees must be informed about stated areas of potential compliance concern. The Department of Health and Human Services and particularly its Inspector General have routinely notified healthcare providers of areas in which these government representatives believe that insufficient attention is being accorded government regulations. We must be diligent in the face of such guidance about reviewing these elements of our system to ensure their correctness.

We will provide employees with the information and education they need to fully comply with all applicable laws and regulations.

Legal Compliance

Employees are expected to refrain from any conduct that violates the fraud and abuse laws. These laws prohibit:

- Direct, indirect or disguised payments in exchange for patient referrals
- Submitting false, fraudulent or misleading claims to third-party payers or any government entity. This includes claims for services not rendered, describing the service differently than it was provided or any claim that does not comply with the program or contractual requirements
- Gaining or retaining participation in a program or receiving payment for service through false representation

Dealing with Accrediting Bodies

We will deal with all accrediting bodies in a direct, open and honest manner. No action will ever be taken in relationships with accrediting bodies that would mislead the accreditor or its survey teams, either directly or indirectly.

The scope of matters related to accreditation of various bodies is extremely significant and broader than the scope of this Code of Conduct. Accrediting bodies may be focused on issues of more focused interest.

Business Information and Information Systems

Accuracy, Retention, and Disposal of Documents and Records

Every employee is responsible for the integrity and accuracy of our organization's documents and records, not only to comply with regulatory and legal requirements, but also to ensure that records are available to defend our business practices and actions. No one may alter or falsify information on any record or document.

Medical and business documents and records are retained in accordance with the law and our record retention policy. Medical and business documents include paper documents such as letters and memos, computer-based information such as e-mail or computer files on disk or tape, and any other medium that contains information about the organization or its business activities. It is important to retain and destroy records appropriately according to our policy. Records will not be tampered with or removed or destroyed prior to the designated time as specified in the Record Retention Policy.

Proprietary Information

Confidential information about our organization's strategies and operations is a valuable asset. Although you may use confidential information to perform your job, it must not be shared with others outside Thomas Health or your department unless the individuals have a legitimate need to know this information and have agreed to maintain the confidentiality of the information. Confidential information includes personnel data maintained by the organization, patient lists and clinical information, pricing and cost data, information pertaining to acquisitions, divestitures, affiliations and mergers, financial data, research data, strategic plans, marketing strategies, techniques, employee lists and data maintained by the organization, supplier and subcontractor information, and proprietary computer software.

Electronic Media

All communications systems, electronic mail, Intranet, Internet access, and voicemail are the property of the organization and are to be primarily used for business purposes. Highly limited reasonable personal use of the communications systems is permitted; however, you should assume that these communications are not private. Thomas Health reserves the right to periodically access, monitor, and disclose the contents of e-mail and voicemail messages.

Employees may not use internal communication channels or access to the Internet at work to post, store, transmit, download, or distribute any threatening, maliciously false or obscene materials including anything constituting or encouraging a criminal offense, giving rise to civil liability, or otherwise violating any laws. Additionally, these channels of communication may not be used to send chain letters, personal broadcast messages, or copyrighted documents that are not authorized for reproduction; nor are they to be used to conduct a job search or open misaddressed mail. Colleagues who abuse our communications systems or use them excessively for non-business purposes may lose these privileges and be subject to disciplinary action.

Financial Reporting and Records

Our financial records serve as a basis for managing our business and are important in meeting our obligations to patients, employees, suppliers, and others. They are also necessary for compliance with tax and financial reporting requirements. We will avoid unreasonable compensation arrangements not consistent with our non-profit tax exemption. We will report payments to appropriate taxing authorities and file and make public all tax information as required by applicable law.

All financial information must reflect actual transactions and conform to generally accepted accounting principles. No undisclosed or unrecorded funds or assets may be established. Thomas Health maintains a system of internal controls to provide reasonable assurances that all transactions are executed in accordance with management's authorization and are recorded in a proper manner so as to maintain accountability of the organization's assets.

Workplace Conduct and Employment Practices

Conflict of Interest

A conflict of interest may occur if your outside activities or personal interests influence or appear to influence your ability to make objective decisions in the course of your job responsibilities. A conflict of interest may also exist if the demands of any outside activities hinder or distract you from the performance of your job or cause you to use resources for other than Thomas Health purposes. It is your obligation to ensure that you remain free of conflicts of interest in the performance of your responsibilities. You must disclose in writing all conflicts of interest, as required by our Conflicts of Interest Policy. If you have any question about whether an outside activity might constitute a conflict of interest, you must obtain the approval of your supervisor before pursuing the activity.

Controlled Substances

Some of our colleagues routinely have access to prescription drugs, controlled substances, and other medical supplies. Many of these substances are governed and monitored by specific regulatory organizations and must be administered by physician order only. It is extremely important that these items be handled properly and only by authorized individuals to minimize risks to us and to patients. If you become aware of the diversion of drugs from the organization, you must report the incident immediately.

Copyrights

Employees may only make use of copyrighted materials according to the publisher's conditions.

Diversity and Equal Employment Opportunity

We are committed to providing an equal opportunity work environment where everyone is treated with fairness, dignity, and respect. We will comply with all laws, regulations, and policies

related to non-discrimination in all of our personnel actions. Such actions include hiring, staff reductions, transfers, terminations, evaluations, recruiting, compensation, corrective action, discipline, and promotions.

No one shall discriminate against any individual with a disability with respect to any offer, term or condition of employment. We will make reasonable accommodations to the known physical and mental limitations of otherwise qualified individuals with disabilities.

Harassment and Workplace Violence

We will not tolerate harassment by anyone based on the diverse characteristics or cultural backgrounds of those who work with us. Degrading or humiliating jokes, photographs, slurs, intimidation, or other harassing conduct is not acceptable in our workplace.

Any form of sexual harassment is strictly prohibited. This prohibition includes unwelcome sexual advances or requests for sexual favors in conjunction with employment decisions. Moreover, verbal or physical conduct of a sexual nature that interferes with an individual's work performance or creates an intimidating, hostile, or offensive work environment will not be tolerated.

Harassment also includes incidents of workplace violence. Workplace violence includes robbery and other commercial crimes, stalking cases, violence directed at the employer, terrorism, and hate crimes committed by current or former colleagues. As part of our commitment to a safe workplace, we prohibit employees from possessing firearms, other weapons, explosive devices, or other dangerous materials on Thomas Health property. Employees who observe or experience any form of harassment or violence must report the incident to their supervisor, the Human Resources Department, a member of management, or the Compliance Officer.

Health and Safety

Policies have been developed to protect you from potential workplace hazards. You should become familiar with and understand how these policies apply to your specific job responsibilities and seek advice from your supervisor or the Safety Officer whenever you have a question or concern. You must advise your supervisor or the Safety Officer of any serious workplace injury or any situation presenting a danger of injury so that timely corrective action may be taken to resolve the issue.

License and Certification Renewals

Employees and individuals retained as independent contractors in positions which require professional licenses, certifications, or other credentials are responsible for maintaining the current status of their credentials and shall comply at all times with federal and state requirements applicable to their respective disciplines. To assure compliance, evidence of the individual having a current license or credential status must be verified. We will not permit any employee or independent contractor to work without valid, current licenses or credentials.

Background Investigations

Offers of employment are contingent on information obtained through a background investigation based on job description requirements. No person who is currently suspended, excluded, 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 health care will be considered for employment. You must immediately notify the Human Resources Department if you receive notice of intent to exclude or are excluded/debarred or otherwise ineligible to participate in any federal health care program. We routinely screen volunteers and Board members for exclusion/debarment or other ineligibility to participate in federal health care programs.

Personal Use of Resources

It is the responsibility of each employee to preserve our organization's assets including time, materials, supplies, equipment, and information. Organization assets are to be maintained for business related purposes. As a general rule, the personal use of any Thomas Health asset without the prior approval of your supervisor is prohibited. The occasional use of items, such as copying facilities or telephones, where the cost is insignificant, may be permissible with supervisory approval. Any community or charitable use of organization resources must be approved in advance by your supervisor. Any use of organization resources for personal financial gain unrelated to Thomas Health business is prohibited.

Relationships among Employees

It is difficult to address every foreseeable issue in a document such as this. A few general guidelines should be considered, however. One involves gift giving among colleagues for certain occasions. No one should ever feel compelled to give a gift to anyone, and any gifts offered or received should be appropriate to the circumstances. A lavish gift to anyone in a supervisory role would clearly be inappropriate. Employees should never be compelled to participate in fundraising for any cause.

Relationships with Subcontractors, Suppliers, and Educational Institutions

We must manage our subcontractor and supplier relationships in a fair and reasonable manner, consistent with all applicable laws and good business practices. We promote competitive procurement to the maximum extent practicable. Our selection of subcontractors, suppliers, and vendors will be made on the basis of objective criteria including quality, technical excellence, price, delivery, and adherence to schedules, service, and maintenance of adequate sources of supply. Our purchasing decisions will be made on the supplier's ability to meet our needs, and not on personal relationships and friendships. We will always employ the highest ethical standards in business practices in source selection, negotiation, determination of contract awards, and the administration of all purchasing activities. We will not communicate to a third-party confidential information given to us by our suppliers unless directed in writing to do so by the supplier. We will not disclose contract pricing and information to any outside parties except as required by law. We will not do business with any subcontractor, supplier or vendor that is excluded or debarred or otherwise ineligible to participate in any federal health care program.

Relationships with an educational institution must have a written agreement that defines both parties' roles and Thomas Health's retention of the responsibility for the quality of patient care.

Research

We follow high ethical standards in any research conducted by our physicians and professional staff. We do not tolerate research misconduct. Research misconduct includes making up or changing results or copying results from other studies without performing the research. Thomas Health's Institutional Review Board must approve all research conducted in Thomas Health or involving Thomas Health's patients or staff.

Substance Abuse and Mental Acuity

To protect the interests of our employees and patients, we are committed to an alcohol and drug-free work environment. All colleagues must report for work free of the influence of alcohol and illegal drugs. 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 immediate termination. We may use drug testing as a means of enforcing this policy.

It is also recognized that individuals may be taking prescription drugs, which could impair judgment or other skills required in job performance. If you have questions about the effect of such medication on your performance, consult with your supervisor.

Marketing Practices

Antitrust

Antitrust laws are designed to create a level playing field in the marketplace and to promote fair competition. These laws could be violated by discussing Thomas Health business with a competitor, such as how our prices are set, disclosing the terms of supplier relationships, allocating markets among competitors, or agreeing with a competitor to refuse to deal with a supplier.

Conduct prohibited by these laws includes:

- Agreements to fix prices, bid rigging, or collusion with competitors,
- Boycotts or exclusive dealing and price discrimination agreements, and
- Unfair trade practices, theft of trade secrets, deception, intimidation or other unfair practices.

In general, avoid discussing sensitive topics with competitors or suppliers. Also, you must not provide any information in response to an oral or written inquiry concerning an antitrust matter without first consulting corporate legal counsel.

Gathering Information about Competitors

It is not acceptable to obtain proprietary or confidential information about a competitor through illegal means. It is also not acceptable to seek proprietary or confidential information when doing so would require anyone to violate a contractual agreement, such as a confidentiality agreement.

Marketing and Advertising

We may use marketing and advertising activities to educate the public, provide information to the community, increase awareness of our services, and to recruit employees. We will present only truthful, fully-informative, and non-deceptive information in these materials and announcements.

Environmental Compliance

It is our policy to comply with all environmental laws and regulations as they relate to our organization's operations. We will act to preserve our natural resources to the fullest extent reasonably possible. We will comply with all environmental laws and operate each of our facilities with the necessary permits, approvals, and controls. We will diligently employ the proper procedures with respect to handling and disposal of hazardous and biohazardous waste, including but not limited to medical waste.

It is important to understand how job duties may impact the environment. We will adhere to all requirements for the proper handling of hazardous materials. You must immediately alert your supervisor to any situation regarding the discharge of a hazardous substance, improper disposal of medical waste, or any situation that may be potentially damaging to the environment.

Business Courtesies

General

Nothing in this part of the Code of Conduct should be considered in any way an encouragement to make, solicit, or receive any type of invitation or gift. Gifts or other incentives will never be used to improperly influence relationships or business outcomes.

Receiving Business Courtesies, Gifts and Invitations

Reasonable invitations from a current or potential business associate to attend a social event in order to further develop a business relationship may be accepted. These events must not be more frequent than quarterly and must be considered reasonable and appropriate.

Training and Educational opportunities may be accepted if part of a purchase agreement related to the product or service. In these instances it may be appropriate to accept travel and lodging from a vendor. The participant's immediate supervisor must approve such invitations.

Gifts with a total value of \$50.00 or less in one year may be accepted from an individual or organization that has a business relationship with Thomas Health. Perishable or consumable

gifts given to a department or group are not subject to a specific dollar limitation but should be accepted no more than quarterly from an individual or organization. You may never accept cash or cash equivalents, such as gift certificates. Finally, under no circumstances may you solicit a gift from an individual that has a current or prospective business relationship with Thomas Health.

Extending Business Courtesies, Gifts and Invitations

The same general guidelines for receiving business courtesies, gifts and invitations described above will apply to extending same. Thomas Health may sponsor events with a legitimate business purpose provided that such events are for business purposes. Reasonable and appropriate meals and entertainment may be offered.

United States Federal and State Government Employees

Thomas Health policy is to not provide any gifts, entertainment, meals, or anything else of value to any employee of the Executive Branch of the federal and State government, except for minor refreshments in connection with business discussions or promotional items valued at not more than ten dollars.

Political Activities and Contributions

The conduct of any political action committee is to be consistent with relevant laws and regulations. It is important to separate personal and corporate political activities in order to comply with the appropriate rules and regulations relating to lobbying or attempting to influence government officials. You may participate in the political process on your own time and at your own expense. While you are doing so, it is important not to give the impression that you are speaking on behalf of or representing the organization in these activities. You cannot seek to be reimbursed for any personal contributions for such purposes. Employees may be asked to make personal contact with government officials or to write letters to present our position on specific issues. In addition, it is a part of the role of some Thomas Health management to interface on a regular basis with government officials. If you are making these communications on behalf of the organization, be certain that you are familiar with any regulatory constraints and observe them.

Preventing Fraud, Abuse and Waste

It is our policy to obey the law and to work to prevent and eliminate waste, fraud and abuse related to health care reimbursement. Please reference the Compliance Section of policies and procedures to review detailed compliance policies.

False Claims Act

First enacted in the wake of Civil War profiteering, the False Claims Act (FCA) imposes civil liability on organizations and individuals that make false claims to the government for payment.

Anyone who violates the FCA is liable for a civil penalty of not less than \$5,500 and up to \$11,000 per claim, plus three times the amount of the damages the government sustains.

In addition, the government can exclude violators from participating in Medicare, Medicaid and other governmental health care programs. There is also a federal criminal enforcement plan for intentional participation in the submission of false claims. A person violating the FCA may also be liable to the United States government for the cost of a civil action brought to recover any penalties or damages.

Qui Tams

The FCA also contains provisions that allow employees, competitors, and other third parties to bring lawsuits on behalf of the government as qui tam relators. Qui tam is a legal term meaning that those with evidence of fraud against federal programs or contractors can sue the wrongdoer on behalf of the government.

If the government believes the case has merit, it will pursue the matter by investigating and prosecuting the entity and recovering damages under the FCA. The relator in a successful FCA qui tam case is entitled to 10% to 25% of the final settlement or judgment. If the government declines to intervene in the case, the relator can proceed to trial on the FCA allegations and receive up to 30% of the settlement.

The Corporate Compliance Program

The Corporate Compliance Program is intended to demonstrate the commitment of the organization to the highest standards of ethics and compliance. That commitment permeates all levels of the organization. Thomas Health's Governing Board has passed a resolution stating our commitment to following all legal and ethical guidelines. The Corporate Compliance Officer reports directly to the President of Thomas Health and to the Chairman of the Governing Board in situations involving the President.

Facilities within the Health System will have a Compliance Committee to assure compliance with this Code of Conduct, appropriate laws and regulations, and policies and procedures. The Committee will analyze facility data and address issues related to the complexities of compliance guidelines.

Employees are trained in their role and responsibilities related to compliance and how to report questions or concerns through the compliance hotline ("Integrity Line") anonymously and without fear of retribution or retaliation.

Personal Obligation to Report

We are committed to ethical and legal conduct that is compliant with all relevant laws and regulations and to correcting wrongdoing wherever it may occur in the organization. Each employee has an individual responsibility for reporting any activity by any colleague, supervisor, member of management, physician, subcontractor, or vendor who appears to violate applicable

laws, rules, regulations, or this Code to their supervisor, manager, someone in management or to the Chief Compliance Officer, either directly or through the Integrity Line.

Resources for Guidance and Reporting Violations

To obtain guidance on an ethics or compliance issue or to report a suspected violation, you may choose from several options. You may report an issue or concern to your supervisor, manager, someone in management, Human Resources or the Corporate Compliance Officer. You may also report issues anonymously through the Integrity Line. Every effort will be made to maintain, as appropriate, the confidentiality of the identity of any individual who reports possible misconduct. There will be no retribution or discipline for anyone who reports a possible violation in good faith. Any employee who deliberately makes a false accusation with the purpose of harming or retaliating against another employee will be subject to discipline.

Internal Investigations of Reports

We are committed to investigate all reported concerns promptly and confidentially to the extent possible. The Corporate Compliance Officer will coordinate findings from investigations and recommend corrective action or changes that need to be made if indicated. All employees are expected to cooperate with investigation efforts.

Corrective Action

When an internal investigation substantiates a reported violation, it is the policy of the organization to initiate corrective action, including, as appropriate, making a prompt report and refund of any overpayment amounts, notifying the appropriate governmental agency, instituting whatever disciplinary action is necessary, and implementing systemic changes to prevent a similar violation from recurring in the future.

Discipline

Violators of the Code of Conduct or policies or procedures will be subject to disciplinary action as defined in the Employee Handbook. 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: Verbal warning, Written Warning, Suspension or Termination.

Internal Audit and Other Monitoring

Thomas Health is committed to the aggressive monitoring of compliance with its policies. The organization routinely seeks means of ensuring and demonstrating compliance with laws, regulations, and policy and monitors facility Compliance Committee activities.

Acknowledgment Process

We distribute the Code of Conduct to all employees and require that all employees sign an acknowledgment confirming they have received the Code of Conduct and understand it represents mandatory policies of Thomas Health. New employees will be required to sign this acknowledgment as a condition of employment. Performance of your responsibilities in a

manner consistent with this Code of Conduct will be an element in evaluating employee performance. Adherence to and support of the Code of Conduct and participation in related activities and training will be considered in decisions regarding hiring, promotion, and compensation for all candidates and employees.

Call the Integrity Line if you have questions or concerns regarding any of our ethics and compliance policies or business practices.

1-877-872-8254

Examples

While every possible compliance concern cannot be addressed in the Code of Conduct, the following scenarios are intended to help clarify how the specific guidelines apply to everyday work situations.

I am not sure if we are billing correctly for some of the supplies we use in my department.

You are encouraged to talk to your supervisor first. However, if for any reason you do not feel comfortable talking to your supervisor, or if your supervisor did not answer the question or address the problem to your satisfaction, you do have other options. You should speak with someone else in management, contact the Compliance Officer, or call the Integrity Line at 1-877-872-8254.

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

As long as you honestly have a concern, our policy prohibits your being reprimanded or disciplined. You have a responsibility to report suspected problems. Employees may be subject to discipline if they witness something but do not report it. The only time someone will be disciplined for reporting misconduct is if they knowingly and intentionally report something that they know to be false or misleading in order to harm someone else.

What if I tell my supervisor, but they say not to worry about it and to do it anyway because we have always done it that way?

If you know something is wrong, you must not do it. You must immediately report the request to a level of management above your supervisor or to the Compliance Officer. Patient care and our commitment to legal and ethical conduct must never be compromised for any reason.

How do I really know if something is wrong?

If you are worried about whether your actions will be discovered, if you feel a sense of uneasiness about what you are doing, or if you are explaining that everyone does it that way, consider what you are doing, get advice, and redirect your actions to where you know you are doing the right thing.

While conducting chart reviews, my supervisor told me to fill in missing dates and signatures since Joint Commission would be visiting soon.... Can I do this?

No. It is absolutely wrong to sign another healthcare provider's name in the medical record or to alter records in this way. It is part of our basic integrity obligation to provide only complete and fully accurate information to accrediting groups.

The family of an elderly patient who is admitted frequently for a chronic illness often gives the nurse a tip for taking such good care of the patient. Is this acceptable?

No. Cash or cash equivalent gifts, including gift certificates, must never be accepted from patients.

Can we accept a box of candy or fruit that a family sends to the nurse's station?

Yes. Gifts to an entire department may be accepted if they are consumable or perishable.

Patient Information

A nurse in our hospital sometimes requests medical records, whether he is taking care of the patient or not. Is he allowed to do this?

No. We are responsible for protecting the confidentiality of patient information from interested third parties as well as our staff. Patients are entitled to expect confidentiality, the protection of their privacy, and the release of information only to authorized parties who have a legitimate business reason to access the information.

Personal Use of Hospital Resources

Can I study at work and type my class work on my computer?

Possibly. If you study or use the computer during non-working hours, you may be permitted to pursue these activities at work. Check with your supervisor.

Political Activities and Contributions

I am working in a political campaign for city treasurer. May I pass out flyers at work?

No. You may not use time or resources to support political activities that are undertaken on a personal basis.

Please call the Integrity Line if you have questions or concerns regarding any of our business practices.

1-877-872-8254