BJC HealthCare
Code of Conduct
# Table of Contents

**BJC HealthCare Purpose, Goal and Shared Principles** .............................................. 1

**The BJC Compliance Program** .................................................................................. 2
- Purpose .................................................................................................................. 2
- Identifying a Compliance Issue .............................................................................. 2
- How to Resolve a Compliance Issue .................................................................... 2
- Reporting a Compliance Issue .............................................................................. 3
- Results of Failing to Act in Accordance with the Compliance Program ............. 4

**The Principal Documents of the BJC Compliance Program** ..................................... 4
- The BJC HealthCare Corporate Compliance Policy .............................................. 4
- The BJC HealthCare Corporate Compliance Plan ............................................... 5
- The BJC HealthCare Code of Conduct .................................................................. 5
- The BJC HealthCare Corporate Compliance Policy Manual ................................. 5
- The BJC HealthCare Privacy Compliance Policy Manual .................................... 5
- Member-Specific Compliance Handbooks ............................................................ 5
- Member-Specific Business Practices Manuals ..................................................... 6
- Intranet Web Site ................................................................................................... 6

**Management of the BJC Compliance Program** ......................................................... 6
- The BJC Corporate Compliance Officer ............................................................... 6
- The BJC Corporate Compliance Department ......................................................... 6
- The BJC Compliance Committee ......................................................................... 7
- The BJC Audit Services Department .................................................................... 7
- The BJC Member-Specific Compliance Liaisons .................................................. 7
- The Member-Specific Compliance Committees .................................................... 7

**Responsibilities Under the BJC Compliance Program** ............................................. 7
- The Responsibilities of BJC Under the Compliance Program ............................... 7
- The Responsibilities of Employees under the Compliance Program ..................... 8

**Compliance Guidelines** .......................................................................................... 8

**Confidential Information** ......................................................................................... 9
- What is Confidential Information? .......................................................................... 9
- Examples of Possible Confidential Information .................................................... 9

**Conflict of Interest** .................................................................................................. 10
- What is a Conflict of Interest? ............................................................................... 10
- Examples of Possible Conflicts of Interest ........................................................... 12

**Antitrust Matters** ................................................................................................... 13
- What are Antitrust Laws? ....................................................................................... 13
- How are Antitrust Laws Violated? ......................................................................... 13

**Employment Matters** ............................................................................................. 13
- How are Employee Rights Protected? ................................................................... 13

**Health, Safety and the Environment** ....................................................................... 14
- How do we Meet our Concern for the Health and Safety of our Employees and the Protection of our Environment? .......................... 14
BJC HealthCare

Purpose
As one of the largest nonprofit health-care delivery organizations in the country, we are committed to improving the health and well-being of the people and communities we serve through leadership, education, innovation and excellence in medicine.

Goal
To be the national model among health-care delivery organizations as measured by our:

- Outstanding patient advocacy and loyalty
- Unsurpassed clinical quality and patient safety
- Significant contribution to medical education and research
- Exceptional employee satisfaction and workforce development
- Excellent financial and operational management

Shared Principles

We are…

Patient focused. We consider the patient in all that we do. We treat our patients with compassion and respect and work to earn their trust in every encounter they have with us. From the hospital floor to the business office, we work for the patient.

Disciplined. We take seriously our responsibility to be good stewards of all that is entrusted to us. We wisely manage our processes, assets and finances to ensure we have the resources to meet the health-care needs of our communities now and in the future.

Knowledge Driven. We are focused on innovation, research, creativity and the sharing of best practices to improve the delivery of health care. We identify and embrace new techniques, ideas and advancements and each of us is committed to continually improving our individual skills, knowledge and talents.

Motivated Leaders. We are solution-oriented. We continually seek ways to improve our organization to better serve our communities’ health-care needs and are committed to challenging each other to transform the delivery of health-care services.

We demonstrate…

Trust, dignity and respect. Everyone brings value and deserves the opportunities and supportive environments that allow them to reach their full professional potential. Leaders are to serve with humility, understanding and consideration for the value that our similarities and differences bring to the fulfillment of our mission.

High ethical standards and behaviors. This is the foundation on which BJC’s success and reputation are built. Each of us is responsible for ensuring our relationships with all of our constituencies are honest, fair and uphold our corporate and individual integrity.

Teamwork and accountability. Working together allows us to accomplish more than we could individually. Each of us is responsible for doing our best, keeping our commitments and sharing our knowledge to advance the mission of BJC HealthCare.
The BJC Compliance Program

BJC is committed to possessing and demonstrating the reliability, honesty, trustworthiness and high degree of integrity expected of a leading health-care organization and a participant in federally funded health-care programs. To help strengthen this commitment, BJC has implemented its Compliance Program among its employees, members and organizations.

Purpose
The BJC Compliance Program clarifies the organization’s expectation that all employees will adhere to applicable laws governing their behavior. It also provides examples of how the organization will do business in certain situations.


The Compliance Program also ensures BJC can seek reimbursement for services provided to Medicare and Medicaid participants. The government acts as a trustee by distributing money designated to fund the health-care expenses of Medicare and Medicaid participants. Like any trustee, the government takes great care to ensure that these funds are distributed appropriately and that the health-care providers who seek reimbursement from Medicare and Medicaid do so in accordance with the law.

Finally, the Compliance Program helps ensure uniformity across BJC. The Compliance Program and the policies and procedures that make up the Compliance Program apply equally to employees at all BJC organizations.

Identifying a Compliance Issue
Each employee is expected to know and understand BJC’s compliance policies as well as the basic laws and regulations that affect his or her job. If an employee is unsure about the legality or appropriateness of an action or proposed action, they should ask themselves the following questions and follow the guidelines listed below:

- Does it comply with the law, BJC’s Compliance Program and BJC’s compliance policies and procedures?
- How would I feel if I did it?
- How would it look to my family and friends, the community, BJC’s clients and the general public?
- If I know it’s wrong, I won’t do it!
- If I am not sure, I will ask. I will keep asking until I get an answer that makes sense to me. The goal is to get the right answer, not just the easy answer.
Resolving a Compliance Issue

Many resources are available to help employees resolve compliance issues.

Compliance Documents: The answers to many questions can be found in the various BJC and member-specific documents that describe the compliance policies and procedures.

Four-Step Communication Program: If employees have compliance questions or concerns they cannot resolve by reviewing the various BJC or member-specific compliance documents, they should discuss the issue with their supervisor, manager or another higher-level supervisory employee. Employees should seek to resolve the compliance problem promptly, constructively and at the lowest level possible by following these four steps:

1. **Discuss the issue with a supervisor.** An employee’s immediate supervisor knows the employee and the issues in their workplace better than anyone else. Employees should give their supervisor a chance to solve the problem. Supervisors have access to a variety of BJC resources to address a specific problem.

2. **Speak to the department manager.** If an employee and their supervisor cannot find an answer, or if the employee does not feel that their concern is receiving the proper attention, they can request a meeting with the department manager to discuss the matter further.

3. **Speak to a Compliance Liaison and/or senior manager.** If the department manager is unable to resolve the matter satisfactorily, the employee should contact a Compliance Liaison or bring the matter directly to a more senior manager. To identify the appropriate Compliance Liaison, employees should call the BJC Corporate Compliance Department or the BJC Legal Services Department.

4. **Bring the matter to the attention of a BJC representative.** Matters that are not resolved at the member hospital’s or service organization’s level may be brought to the attention of the BJC HealthCare Human Resources Department, the BJC Corporate Compliance Department, the BJC Audit Services Department or the BJC Legal Services Department.

Reporting a Compliance Issue

Each employee is obligated to report any issue or practice that he or she believes in good faith may constitute a violation of the law or BJC’s compliance policies. People who are found to have engaged in unlawful conduct or conduct in violation of BJC’s policies, or who have failed to detect, report and/or correct any offense, are subject to corrective action, up to and including termination of employment.

To report a compliance issue, follow the “Four-Step Communication Program” described above. If an employee feels uncomfortable reporting a compliance issue to his or her supervisor or any other BJC or organization-specific manager, he or she may call the Compliance Action Line.
**The Compliance Action Line:** Employees may call the Compliance Action Line (the “CAL”) at 800-525-BJC1 (800-525-2521). Calls to the CAL will not be traced and will be treated confidentially. Employees may remain anonymous if they choose. No caller will be subject to retaliation for bringing forth a good faith concern. Anyone who attempts to retaliate against an employee who has in good faith made a call to the CAL will be subject to corrective action, up to and including termination of employment.

The CAL is intended to supplement existing internal communication channels. It is not intended to replace the local management team or the “Four-Step Communication Program” outlined above. The CAL is available when employees feel they have exhausted normal channels or are uncomfortable about bringing an issue to their supervisor or manager.

**Failing to Act in Accordance with the Compliance Program**

The Compliance Program helps ensure that BJC follows applicable laws, regulations and BJC compliance policies. Therefore, the consequences of not acting in accordance with the Compliance Program are significant for the BJC employee as well as the organization.

BJC, its member organizations and the employee may be subject to criminal and/or civil prosecution resulting in payment of fines and/or imprisonment. In addition, BJC, its member organizations and the individual may be excluded or suspended from participation in any federal or state governmental health-care program. Finally, any employee who fails to adhere to the Compliance Program will be subject to corrective action, such as a verbal or written reprimand, paid or unpaid suspension or even termination of employment.

**The Principal Documents of the BJC Compliance Program**

The principal documents that make up the BJC HealthCare Compliance Program are the following:

- BJC Corporate Compliance Policy
- BJC Corporate Compliance Plan
- BJC Code of Conduct
- BJC Corporate Compliance Policy Manual
- BJC Privacy Compliance Policy Manual
- BJC Member-Specific Compliance Handbooks
- BJC Member-Specific Business Practices Manuals

**BJC Corporate Compliance Policy**

The Corporate Compliance Policy (the “Policy”) was adopted by the BJC HealthCare Board of Directors. The Policy establishes a management structure to oversee and monitor BJC’s compliance activities. The Policy
requires that all members, business areas and functional areas of BJC, and all employees and agents within those areas, exercise due diligence to prevent, detect and report unlawful conduct or conduct in violation of BJC’s compliance policies.

**BJC Corporate Compliance Plan**
The Corporate Compliance Plan (the “Plan”) is a document specifically tailored to BJC that specifies the various compliance personnel, documents and activities that make up the Compliance Program. The Plan discusses the designation of compliance personnel and establishes their responsibilities and duties, the development and distribution of compliance policies and procedures, how BJC will conduct its compliance education and training activities, the compliance communication lines established for employees to use in obtaining answers to their compliance questions or concerns, the enforcement standards and disciplinary guidelines for compliance violations and the various compliance auditing and monitoring activities that BJC will use to ensure that its compliance policies and procedures are operating effectively and are being followed by its employees.

**BJC Code of Conduct**
The Code of Conduct summarizes BJC’s Corporate Compliance Program, provides instructions on how to identify, resolve and report compliance issues, and contains general compliance guidelines that all employees must follow.

**BJC Corporate Compliance Policy Manual**
The Corporate Compliance Policy Manual contains specific organization-wide compliance policies that apply to the member organizations of BJC. Some of these policies include the Corporate Compliance Policy, the Compliance Liaison Policy, the Compliance Issue Reporting Policy and the Retention and Destruction Policy for Medical and Business Records and Documents.

**BJC Privacy Compliance Policy Manual**
The Privacy Compliance Policy Manual contains specific organization-wide privacy policies that apply to the member organizations of BJC. These policies are intended to help ensure compliance with the Health Insurance Portability and Accountability Act (“HIPAA”) Privacy Regulations.

**Member-Specific Compliance Handbooks**
The member-specific Compliance Handbooks contain guidelines and instructions for specific BJC hospitals, members, organizations, functional areas and personnel on how they must conduct their activities to ensure that they are in full compliance with all applicable laws, regulations and BJC compliance policies and procedures. As part of BJC, each member must follow these BJC policies and ensure that all of its officers, employees and agents are aware of these policies and act in accordance with their terms and provisions.
**Member-Specific Business Practices Manuals**
The member-specific Business Practices Manuals contain more detailed compliance policies intended to address specific situations that occur in that particular member’s departments.

**Intranet Web Site**
Copies of the organization-wide documents are located on the Compliance Department’s intranet Web site: http://bjcnet/legal/corporatecompliance.

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**Management of the BJC Compliance Program**

The Compliance Program is essential to BJC’s future success. Therefore, all employees, as well as all persons and entities retained and authorized to act on behalf of BJC (“agents”), are responsible for understanding and following the compliance policies that make up the Compliance Program. Managers and supervisors must consistently enforce and communicate BJC’s compliance policies, as well as any member-specific or departmental compliance procedures, to all employees and agents within their business areas. Finally, every employee and agent is responsible for detecting, resolving and reporting to the appropriate BJC management unlawful conduct or conduct that may violate the Compliance Program or BJC’s compliance policies.

Certain persons and departments within BJC and its members specifically have been charged with management of the Compliance Program. These persons and departments serve as resources to all employees to ensure that the Compliance Program and BJC’s compliance policies are implemented and enforced consistently. They are the:

- BJC Compliance Officer
- BJC Director of Corporate Compliance
- BJC Compliance Committee
- BJC Corporate Compliance Department
- BJC Audit Services Department
- Member-Specific Compliance Liaisons
- Member-Specific Compliance Committees

**BJC Corporate Compliance Officer**
The General Counsel of BJC serves as the BJC Corporate Compliance Officer. The Corporate Compliance Officer is responsible for overseeing BJC’s compliance activities.

**BJC Corporate Compliance Department**
The BJC Corporate Compliance Department, led by the BJC Director of Corporate Compliance, is responsible for the day-to-day management and administration of the Compliance Program.
BJC Compliance Committee
The BJC Compliance Committee assists the Corporate Compliance Officer with the fulfillment of his or her duties. The BJC Compliance Committee consists of the BJC Corporate Compliance Officer, the heads of the BJC Corporate Compliance Department and the BJC Audit Services Department, as well as representatives from the Billing and Reimbursement, Finance, Human Resources, Information Systems, Medical Affairs, Operations and Risk Management departments of BJC. Other representatives may be designated from time to time by BJC’s President.

BJC Audit Services Department
The BJC Audit Services Department provides audit and investigatory support for BJC and its members by conducting and overseeing compliance audits and investigations.

BJC Member-Specific Compliance Liaisons
The member-specific Compliance Liaisons assist the BJC Corporate Compliance Department in administering the Compliance Program at the members’ level. The Compliance Liaison acts as a liaison between the member and the BJC Corporate Compliance Department, serves as a compliance resource to the member’s personnel, assists the BJC Corporate Compliance Department and the BJC Audit Services Department in investigating and responding to compliance questions and issues, supervises compliance activities by the member, helps distribute compliance policies and manuals and assists in compliance training activities.

Member-Specific Compliance Committees
To assist the members’ Compliance Liaisons and to ensure uniformity and consistency, each member also may have a member-specific Compliance Committee. The Committee consists of member management selected by the Compliance Liaison, in consultation with the BJC Corporate Compliance Department. The member-specific Compliance Committee meets on a regular basis to assist the member’s Compliance Liaison with meeting his or her responsibilities, to assist in the development and implementation of compliance policies and procedures and to assist in addressing compliance issues as they arise.

Responsibilities Under the BJC Compliance Program

Responsibilities of BJC
As an organization committed to compliance, BJC has assumed certain responsibilities:

- Develop compliance documents to provide employees with guidance on matters of daily business conduct.
- Ensure that the compliance documents are accessible to all employees, officers and directors.
• Establish and maintain training programs to ensure familiarity with and understanding of compliance requirements.
• Advise employees, officers and directors on the proper interpretation and application of the Compliance Program.
• Administer the Compliance Program and its supporting policies in a fair and timely manner.
• Ensure a working atmosphere conducive to compliance and free of retaliation for the reporting of alleged violations of the Compliance Program.

Responsibilities of BJC Employees
Everyone has an obligation to ensure that the Compliance Program is a success. Employees can help to achieve that success by doing the following:

• Read and regularly review BJC’s compliance documents to fully understand the compliance requirements that apply to his or her job.
• Participate in training programs and staff meetings designed to help him or her understand his or her obligations under the Compliance Program.
• Abide by the requirements set forth in the Compliance Program’s policies and procedures.
• Ask questions and seek assistance when he or she is uncertain about the proper course of action.
• Support employees who report suspected violations of the Compliance Program. Recognize that retaliation against persons who report suspected violations is not permitted.
• Be alert to situations that could result in illegal or unethical conduct and encourage other employees to consult with their supervisors, their Compliance Liaison, the Corporate Compliance Department or the Legal Services Department if it appears that they may be in danger of violating the law or the Compliance Program.
• Report suspected violations of the Compliance Program.

Compliance Guidelines
The following guidelines summarize BJC’s basic standards and expectations for employee conduct. Many of the laws and policies discussed in this Code of Conduct are complex and many of the concepts are developed in case-by-case determinations. In addition, the Code of Conduct can deal only generally with some of the more important legal principles and compliance policies. Their mention is not intended to minimize the importance of other applicable laws, regulations, professional standards or ethical principles, which may be covered in more detail under other compliance documents and policies. While the Code of Conduct does not address every conceivable situation, it does summarize BJC’s basic standards and expectations for employee conduct. Questions or concerns not specifically addressed in the Code of Conduct may be covered in the other compliance documents or may be resolved by contacting a supervisor, Compliance Liaison or the BJC HealthCare Corporate Compliance Department.
Confidential Information

What is Confidential Information?
There are two general types of confidential information: patient medical information and business information.

Information about a patient’s medical condition is highly sensitive and its confidentiality must be maintained. No employee, physician or other health-care provider has the right to any patient information other than that necessary to perform his or her job. No employee should ever release or discuss patient-specific information with others unless it is necessary to provide appropriate medical care to the patient, it is with the patient’s written consent or it is required by law. Finally, all employees are expected to maintain the confidentiality of “protected health information” (or “PHI”) as that term is defined by the Standards for Privacy of Individually Identifiable Health Information (commonly known as the “HIPAA Privacy Regulations”).

Confidential business information is any information about a present or planned business matter that has not been released publicly by BJC. Specifically, employees are not allowed to release without authorization information about:

- Pricing
- Financial data
- Marketing programs
- Research

Information such as this is the core of BJC’s business. It is also a key component of just about every topic discussed in this Code of Conduct. For example, releasing this information can violate laws regarding:

- Conflict of interest
- Antitrust
- Employment matters
- Finances
- Intellectual property
- Patient confidentiality

Remember this pledge to keep business and patient medical information confidential and to respect the privacy of those BJC serves.

Examples of Possible Confidential Information
A staff member works in payroll and has access to payroll records. She offers to compare an employee’s salary to a co-worker’s. Should the employee accept this offer?

No. The release of this privileged information is prohibited. Sharing this information violates laws regarding hospital finances. It is also unethical.
Two employees are discussing a patient’s condition in a crowded elevator. A reporter riding in the same elevator realizes the patient is a celebrity with a terminal illness. The reporter uses these facts to run a lead story in the morning paper. This breach of privacy could have been avoided had the employees not:

- Used the patient’s name during the conversation.
- Mentioned the condition or type of illness.
- Discussed the case in the elevator.

The employees should not have discussed the case in the elevator. All patient conditions are confidential and should not be discussed in casual conversation, even if the patient’s name or illness is not specified.

Conflict of Interest

What is a Conflict of Interest?
A conflict of interest arises whenever an employee’s interest or that of an employee’s immediate family conflicts or appears to conflict with the interest of BJC. Everyone has a duty to avoid conflicts of interest or the appearance of conflicts of interest. The following discussion is not intended to intrude upon an employee’s privacy but to help employees avoid conflicts of interest. If an employee is faced with a personal transaction, decision or situation which they think may create a conflict of interest, they must report it promptly to their supervisor, their Compliance Liaison, the Compliance Department or the BJC Corporate Compliance Officer. In many situations, if there is no illegal or unethical conduct involved, BJC can consent to the proposed activity even though a conflict of interest may exist.

The following is a list of frequently encountered conflicts of interest.

Competitors and Suppliers: Employees may not invest in any company that is a supplier or competitor of BJC without first stating this fact in writing to the Corporate Compliance Officer. Ownership of less than 5 percent of a business’ publicly traded securities is not a conflict of interest. Key employees or members of their immediate families may not work for, provide service to or serve as officers or directors of a competitor or supplier of BJC without notification. This notification must be provided in writing to the Corporate Compliance Officer. “Key employees” are department heads and above.

Gifts and Entertainment: Employees should not solicit personal gifts, services or entertainment of any kind from any patient, customer or company doing or seeking to do business with BJC. Employees and members of their immediate family may accept non-monetary gifts or services from any company doing or seeking to do business with BJC as long as it is clear that no attempt is being made to influence any business decision. If employees are offered and accept gifts or services, they should report this
fact to their supervisor, and in no event can the annual aggregate value of any non-monetary gifts or services exceed $300. Offers of “reasonable and customary” entertainment may be accepted if they arise in the normal course of a business relationship. Examples of “reasonable and customary” entertainment include restaurant meals, tickets to sporting or cultural events or other outings. Employees should obtain written approval from their supervisor prior to accepting any offer of entertainment that is not “reasonable and customary” or does not arise in the normal course of a business relationship.

It is helpful to divide this issue into two general categories: (a) personal gifts and gratuities (money, merchandise, products, use of products, facilities or equipment, etc.); and (b) personal entertainment (meals, sporting or cultural events, etc.).

Regardless of category, the BJC HealthCare Legal Services and Corporate Compliance Departments generally recommend that the employee first discuss the matter with his or her supervisor and obtain the supervisor’s permission. Below are some guidelines that can be used in considering these issues.

**Personal Gifts and Gratuities:**
- Employees should not solicit personal gifts from patients, customers, companies doing business with BJC, or companies seeking to do business with BJC.
- Employees are prohibited from accepting gifts of cash.
- Employees are discouraged from accepting gifts in general.
- Employees may accept unsolicited non-monetary gifts if it is clear that the acceptance does not raise an obligation on the part of the recipient. However, the annual aggregate value of non-monetary gifts should not exceed $300.

**Personal Entertainment:**
- Employees should not solicit personal entertainment from patients, customers, companies doing business with BJC or companies seeking to do business with BJC.
- Employees may accept unsolicited offers of reasonable and customary entertainment if it is infrequent, it is in the ordinary course of the business relationship and the setting is reasonable, appropriate and fitting.

**Loans:** Employees and their immediate families may not loan to or borrow from suppliers or customers. Dealings with banks and other financial companies which arise in the normal course of business are allowed.

**Property of BJC HealthCare:** Employees may not use or permit others to use BJC property or employees on duty for personal benefit or the gain of others.

**Outside Employment:** Employment with non-BJC companies must not interfere or conflict with the performance of an individual’s duties at BJC.
Business Opportunities: Employees are prohibited from taking personal financial advantage of a business opportunity as a result of their association with BJC without first obtaining written approval from the BJC Corporate Compliance Officer. Examples of business opportunities include real estate deals, patents and purchasing options.

Diversion of Business: Employees are expected to refrain from any activity that may shift business from BJC to a personal business or to other non-BJC entities.

Confidential Information: Sharing information between and among employees is encouraged to support a healthy working environment at BJC. However, the use of confidential, non-public information for personal advantage is prohibited. In addition, the release of confidential information is prohibited unless authorized. Examples of authorized releases include press releases, advertisements or management announcements.

Agents and Consultants: Individuals who provide services to BJC as agents or consultants are required to observe the same standards of conduct as employees of BJC.

Examples of Possible Conflicts of Interest

An employee is married to an officer of Company B that sells lab supplies. Is it a conflict of interest for this employee if BJC buys supplies from Company B?

This relationship should be disclosed as a potential conflict of interest. If an employee is not in a position to influence or affect BJC’s choice of suppliers, the disclosure of the relationship will, in most situations, be sufficient to avoid a conflict of interest.

An employee is offered a trip for two to Hawaii if they purchase, on behalf of BJC, more than a certain dollar amount of goods or services from Company C. Is such an arrangement a conflict of interest?

Yes, such an arrangement would lead to personal gain directly from an employee's professional duties. The employee should report the offer to his or her supervisor, a Compliance Liaison or the BJC Corporate Compliance Officer.

An employee wishes to buy some land that they learned was for sale through their job at BJC. Is the purchase a conflict of interest?

If BJC is considering buying the property, this could be a conflict if BJC is still negotiating for the real estate. If BJC is selling the property, this could be a conflict if the employee receives special pricing or other consideration. To be safe, the employee should get written confirmation from the BJC Corporate Compliance Officer.
Antitrust Matters

What are Antitrust Laws?
Antitrust laws forbid companies from doing business in a way that gives them too much control in the marketplace. The purpose of these laws is to preserve competition. These laws may affect dealings with patients, doctors, payers, suppliers and competitors of BJC.

For purposes of the antitrust laws, members of BJC HealthCare are not competitors of one another. Hospital and health-care providers not controlled by BJC should be considered competitors.

Antitrust Law Violations
The antitrust laws are violated if competitors agree to:

• Fix prices or pricing methods
• Allocate patients, payer contracts or regions
• Boycott or refuse to do business with a payer, physician, provider or other party; such refusals may include the denial or cancelling of medical staff memberships or privileges

Antitrust violations can occur even without a written or oral agreement. It is possible to conclude that a violation of the antitrust laws has occurred if two competitors have had an opportunity to consult with each other and appear to be cooperating to control the marketplace. For this reason, discussions with competitors concerning the following topics should be avoided:

• Prices or payer rates
• The desire to deal with a particular payer or group of payers, or patient or group of patients
• The granting of membership, privileges or managed care participation status to any physician, health-care provider or group of providers

Employment Matters

Protecting Employee Rights
Employees’ rights are best protected by open communication and a spirit of cooperation. BJC is committed to equal employment opportunity in the workplace, and seeks a working environment free of prejudice or harassment on the grounds of race, color, religion, gender, sexual orientation, age, disability, national origin or any other legally prohibited factor. BJC and its employees are expected to abide by all federal, state and local laws dealing with employment matters.
Health, Safety and the Environment

BJC’s Concern for its Employees and the Environment

BJC pledges:

- To continue to develop procedures and conduct training programs to meet legal standards on health, safety and environmental protection.
- To consider the effects that new developments have on the environment.
- To recognize and respond to community concerns about the effects of BJC’s business on the environment.

Employees are expected to:

- Learn the procedures for handling and disposal of any hazardous materials used in his or her job.
- Know the safety procedures that apply to his or her job.
- Share with his or her supervisor ideas for improving safety and reducing waste.
- Use his or her best efforts to ensure that his or her actions are carried out in a safe and healthy manner.

BJC’s commitment to health, safety and environmental protection can be seen in its efforts to reduce the generation of waste. Waste should be recycled or reused whenever possible. Waste that cannot be recycled or reused should be discarded in a safe manner.

Financial Matters

Financial Duties

BJC and its employees are required to maintain financial records in an accurate and complete manner. Accounting controls must be sufficient to provide reasonable assurance that:

- Financial contracts are carried out with management’s approval.
- All transactions are recorded to help BJC prepare financial statements and account for assets.
- Access to assets is permitted only with management’s approval.
- Recorded assets are periodically compared with existing assets. Any differences should be reported to management.

The financial matters of BJC, its employees, physicians and patients are very private, and should not be revealed to outside parties.
Government Funds and Contracts

BJC’s Duties
BJC receives research grants and monies from government-funded programs such as Medicare and Medicaid. Contracts with the government require special care because of strict legal requirements and complex language. Failure to observe government rules and regulations can result in the loss of funds or grants and civil and criminal penalties. For example, it is a federal crime to make a false statement to a federal official.

If an employee works with government funds in an area like Medicare or Medicaid billing or with a federally funded research grant, he or she must know the rules related to that work. Ignorance is not an excuse. If an employee has any questions regarding these rules, they should contact their supervisor or consult the BJC Corporate Compliance Department.

Payments from research grants and other government contracts are based on costs. Only costs allowed by a contract may be billed to the government. Costs should be recorded in an accurate and consistent manner. If an employee is responsible for charging costs to a government contract or grant, he or she is expected to do so in a reasonable and honest manner.

Intellectual Property

What is Intellectual Property?
Intellectual property includes patents, trademarks, service marks, trade secrets, copyrights, proprietary information and inventions or techniques. Intellectual property is protected by federal and state laws. Violations of the intellectual property laws may result in personal civil damages or criminal charges. In addition, the entire BJC organization may be held responsible for the actions of individual employees who break intellectual property laws.

Inventions
Inventions or techniques created by employees of BJC during the course of their employment are the property of BJC, unless there is a written agreement with BJC stating differently. If employees use BJC patents, techniques, publications and trade secrets in their work, they should be very careful not to disclose such information to others. The use of this information for personal purposes is prohibited.

Intellectual Property Not Owned by BJC
During the course of employment, BJC employees may have access to intellectual property owned by other businesses. This information is private and should not be disclosed to others. Licensed computer software is a good example of intellectual property owned by another business. Copying computer software or the materials that come with it violates copyright laws and corporate policy. The use of illegal copies of software on company hardware is prohibited.
The following activities also may violate the intellectual property laws:

- Installing software programs on more than one computer when it was sold for only one computer. Find out how many computers can use a multiple unit software package before ordering or installing software.
- Copying (by machine or hand) an article or an entire issue of a journal, magazine or newsletter. Unless an employee obtains permission from the publisher to make such copies, the original should be circulated within a group or several subscriptions should be purchased.

**Medicare and Medicaid Fraud and Abuse**

**Employees’ Duties**
Entities that receive monies for services provided under Medicare and Medicaid are subject to several laws and regulations designed to prevent fraud. These laws were created to ensure that the federal funds that finance Medicare and Medicaid are used only for those purposes. Failure to obey these laws can result in fines, jail or exclusion from Medicare and Medicaid programs. Some of the more important laws relating to fraud and abuse are discussed below:

**Billing and Claims**
Honesty and accuracy in billing and in the making of claims for Medicare or Medicaid payment is vital. It is a federal felony to willfully make a false statement in connection with a claim for payment or an application for certification under Medicare or Medicaid.

**The Anti-Kickback Statute**
The anti-kickback statute is a federal law prohibiting persons from willfully offering, paying, seeking or receiving anything of value to bring about a referral for medical services or goods payable under Medicare or Medicaid. Failure to obey this law can result in fines, jail or exclusion from the Medicare and Medicaid programs. This law prohibits kickbacks and bribes. It also affects the way health-care entities carry out a broad range of ordinary business deals.

The following activities are illegal under the anti-kickback statute:

- Routine waivers of co-insurance or deductibles for reasons other than real financial hardship. Exceptions may exist.
- Offer or acceptance of payment other than fair market value for health-care services as a way of getting more business.
- Acceptance of prizes, gifts, cash payments, coupons or bonuses offered to physicians or purchasers for pushing certain products.
- Financial incentives given to physicians that are based on numbers of referrals or levels of billing.
The following activities must be carefully monitored to ensure compliance with the anti-kickback statute:

- Space and equipment leasing
- Discounts on goods and services
- Management and personal services contracts
- Physician practice purchases
- Physician recruitment and retention
- Employment relationships
- Managed care initiatives
- Hospital-Physician contracting
- Hospital marketing activities
- Provision of BJC service (IS, billing and collections, etc.) to private physician practices

**Ban on Self-Referrals**
Generally, a physician who receives payment directly or indirectly from, or has an investment interest in, a health-care business should not refer patients to that business for services paid by Medicare or Medicaid. There are certain exceptions. Therefore, any potential relationship must be reviewed and approved by the BJC Legal Services Department. Claims should not be submitted for services performed as a result of improper referrals.

**Physician Recruitment and Retention**
Entities that operate on a nonprofit basis are subject to additional rules relating to the recruitment and retention of physicians. For example, these rules prohibit private inurement. Private inurement occurs when a nonprofit business pays an individual or group of individuals more than the market price for services provided to the business. In some cases, the rules governing recruitment and retention also may require that the community benefit from the decision to hire a physician or buy a physician’s practice. Keeping a written record of community benefit is an important part of all physician recruitment activities.

**Additional Questions?**
The anti-kickback statute and the self-referral ban are subject to numerous exceptions. These exceptions, as well as the proper application of these laws, are further explained in the various BJC Compliance Handbooks. If an employee’s work involves these issues and he or she has questions, he or she should consult his or her supervisor, a Compliance Liaison or the BJC Corporate Compliance Officer.

**Political Activity**
BJC employees are encouraged to take part in community and political affairs and to vote in elections. If employees participate in such activities, they should make it clear they are acting as private citizens and not as representatives of BJC.
Can BJC make Campaign Contributions?
Generally, nonprofit businesses like BJC may not make political contributions of any sort. This means that BJC property, funds or personnel cannot be used to help or support a political candidate. Indirect assistance, such as the supply of goods, services or equipment to candidates, political parties or committees is also banned. There are, however, a few exceptions, and advance approval is required for any such activities.

What are Employees’ Duties?
As representatives of BJC employees should:

- Comply with all laws relating to political activities.
- Conduct all relationships with public officials, candidates and government employees in an ethical and honest manner.
- Provide complete and correct information to government agencies.
- Avoid using their position with BJC to gain any benefit for themselves or BJC.

Examples of Possible Political Activities
An employee is asked to schedule a conference room at the hospital where they work for a meeting of supporters of a candidate for a federal office for the district in which the hospital is located. Is this allowed?

No. Scheduling a meeting in a conference room on BJC property for the supporters of a candidate for a federal office violates the law and BJC policy. This activity is viewed as a campaign contribution by BJC.

An employee would like to make a donation of their own money to the campaign of a certain candidate. They believe that this candidate will win the election and be able to help BJC in some of its efforts. For this reason, the employee would like to list the donation in the name of BJC. Is this allowed?

No. The making of personal campaign contributions in the name of, or on behalf of, BJC is not permitted by BJC policy. Employees may only contribute to political campaigns with their own funds on their own behalf.

Other Laws and BJC Policies and Procedures
This Code of Conduct covers many areas, but an individual’s job may involve specific legal rules not explained here. For example, employees who work in a pharmacy or are responsible for the collection of receivables, are subject to additional laws. Questions or concerns not specifically addressed in the Code of Conduct may be resolved by examining the other compliance documents or by contacting an employee’s supervisor, a Compliance Liaison or the BJC HealthCare Corporate Compliance Department.

The guidelines set forth in this Code of Conduct are intended to reaffirm BJC’s long-standing commitment to compliance. They are not intended to replace other BJC, BJC-member or departmental policies and procedures.
Everyone must comply with the applicable BJC, BJC-member and departmental policies and procedures, as well as the guidelines in this Code of Conduct.

**Conclusion**

Employees can help prevent the mistakes that lead to compliance problems. Prevention begins with education. Each employee is expected to know and understand BJC’s compliance policies and the basic laws and regulations that affect his or her job. Knowledge is the most powerful weapon people can use to prevent compliance mistakes from happening. If an individual is not knowledgeable about BJC compliance policies and the basic laws and regulations that affect his or her job, he or she must become educated. Employees should start by reading the Code of Conduct and any other compliance documents that contain the policies that most directly impact their job. They should study those policies and talk to their supervisor if they do not understand how the policies apply to their job. If their supervisor cannot resolve the problem, they should follow the “Four-Step Communication Program” and keep asking questions until they get an answer that makes sense.

With the assistance of every employee, BJC will fulfill its commitment to provide medical services of the highest quality to its clients in full compliance with all applicable laws and regulations.