



As Approved by the  
OHA Board of Trustees  
August 19, 2005

**Code of Conduct**

**EMPLOYEES, OFFICERS,  
TRUSTEES and DIRECTORS of**

**THE OHIO HOSPITAL  
ASSOCIATION**

## OHA VISION, MISSION AND VALUES

### **OHA Vision for the Community of Hospitals**

Ohio hospitals share a common vision. They lead the way in a future where every person has access to care and incentives to promote good health. They build and nurture partnerships to care for and strengthen their communities. Passionate in their commitment, Ohio's hospitals are exemplary caregivers, business leaders, and advocates for the underserved. People embrace them as a valued community asset, providing maximum political credibility. Adequate funding frees hospitals from financial constraints and invites innovation. Hospitals' pure and unwavering dedication to meeting health needs inspires in those who work there a sense of pride, satisfaction, and fulfillment.

### **OHA Mission**

OHA is a membership-driven organization that provides proactive leadership to create an environment in which Ohio hospitals are successful in serving their communities.

### **OHA Values**

Our values come from our commitment to:

*Success of Others*  
*Service to Members*  
*Self-improvement*

## PURPOSE

Dear Ohio Hospital Association (“OHA”) employees, officers, trustees and directors:

The purpose of this document is to outline the standards of behavior OHA expects of you and to serve as a guide to appropriate conduct. Throughout this document, we will abbreviate these standards as the “Code.”

You should keep in mind these important considerations when reading this Code:

- You should follow this Code in letter and in spirit.
- You should follow this Code along with any applicable laws, regulations and other OHA policies and procedures.
- The Code applies to OHA, its subsidiaries and foundations as well as their employees, officers, trustees and directors regardless of location or position (hereafter collectively referred to as OHA).
- If you do not comply with the provisions of this Code and other OHA policies and procedures, your affiliation with OHA may be recommended for expulsion or termination. Hospital representatives have an obligation to act in ways that will merit the trust, confidence and respect of health care professionals and the general public. You could also face criminal penalties, civil liabilities, or both for violating the standards outlined in this Code.

OHA is committed to doing what is right and deterring wrongdoing and we expect you to uphold these standards as well. If you have questions concerning the proper course of action, please consult your immediate supervisor, the OHA President, Chief Financial Officer or Vice President and General Counsel for direction.

### **Amendments and Waivers**

Only OHA’s Board of Trustees may amend this Code. Only the OHA Board of Trustees or an authorized committee of the Board may waive a part of the Code for any senior officer, executive officer, trustee or director.

## FAIR AND HONEST DEALING

Employees, officers, trustees and directors shall deal fairly and honestly with OHA’s members, associate members, affiliated societies, sponsors, suppliers, and employees. Such individuals shall not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing or practice. OHA trustees, directors, officers, and employees at every level of the organization share certain responsibilities, but individually will be held accountable for the following:

- **Honesty.** You are expected to be honest and forthright in all internal and external transactions and relationships. Whether doing business with co-workers, members, associate members, affiliated societies, sponsors suppliers, or competitors, OHA employees, officers, trustees and directors are expected to be fair and honest and to maintain the highest ethical standards.
- **Respect.** Other employees, members, associate members, affiliated societies, sponsors, suppliers, competitors, and all business professionals will be treated in a nondiscriminatory fashion.
- **Compliance with Laws and Regulations.** Our business will be conducted in accordance with all applicable laws and regulations. Compliance with the law, together with ethical responsibility, is absolutely essential for effective performance of our duties. We will at all times be truthful and responsive with all regulatory bodies and recognized governmental agencies that establish rules or oversee our operations or those of our members.
- **Responsibility.** Employees, officers, trustees and directors will speak up without fear of retaliation, report concerns in the workplace to management, including violations of all laws, regulations and company policies, and seek clarification and guidance whenever there is doubt.

## COMPLIANCE WITH LAWS, RULES AND REGULATIONS

OHA strives to ensure all activity it conducts is in compliance with applicable laws, rules and regulations. You must comply with all applicable laws, rules and regulations, whether or not specifically addressed in this Code. For additional guidance, or if you have questions, please contact OHA's Vice President and General Counsel.

### **Antitrust Laws**

You must comply with applicable antitrust and similar laws which regulate competition. Examples of conduct prohibited by the laws include (1) agreements to fix prices, bid rigging, market allocation, collusion (including price sharing) with competitors; (2) boycotts, certain exclusive dealing and price discrimination agreements; and (3) unfair trade practices including bribery, misappropriation of trade secrets, deception, intimidation and similar unfair practices.

### **Discrimination Laws**

OHA believes the fair and equitable treatment of employees, members and other persons is critical to fulfilling its vision and goals. OHA conducts its business without regard to the race, color, religion, gender, ethnic origin, age or disability of such person, or any other classification prohibited by law. It is a policy of OHA to recruit, hire, train, promote, assign, transfer, layoff, recall and terminate employees based on their own ability, achievement, experience and conduct. No form of harassment or discrimination against anyone on the basis of any classification prohibited by law will be tolerated. Each allegation of harassment or discrimination will be promptly investigated in accordance with applicable human resource policies. Employees, officers, trustees and directors are expected to seek advice from OHA's Vice President and General Counsel when confronted with business decisions involving a risk of violation of these laws.

## Health Insurance Portability and Accountability Act of 1996 (HIPAA)

OHA and its employees will comply with all applicable HIPAA provisions that regulate the privacy, security and electronic transmission of health information. OHA and employees will comply with any applicable security regulations promulgated pursuant to HIPAA, including adhering to the minimum standard for the protection of individual health information that is stored or transmitted electronically.

### CONFLICTS OF INTEREST

Trustees, directors, officers and employees in a management position owe a duty of undivided and unqualified loyalty to the organization. Persons holding such positions may not use their positions to profit personally or to assist others in profiting at the expense of the organization. If you are a trustee or corporate officer, you must comply with any provisions of the OHA Bylaws, Constitution, Code of Regulations and the following Board of Trustees policy governing conflicts of interest. If you are an employee other than a corporate officer, you must notify your supervisor or the President of any financial or operating interest that you or a member of your immediate family hold in any organization which may constitute a conflict of interest.

The proper governance of the Ohio Hospital Association and its subsidiaries (“OHA”) depends on the Board of Trustees members who give their time for the benefit of the hospitals and health systems of Ohio. OHA recognizes the giving of this service, because of the varied interests and backgrounds of the Board of Trustees members, may result in situations involving a dual interest or financial interest which might be interpreted as a conflict of interest. While service as a member of the OHA Board of Trustees should not be rendered impossible solely by reason of duality of interest, financial interest or possible conflict of interest, nevertheless service on the OHA Board of Trustees carries with it fiduciary duties of loyalty and care to OHA and its members.

The purpose of this conflict of interest policy is to protect OHA's interest when it is contemplating entering into a transaction or arrangement that might benefit the individual private interest of an officer, trustee or director of OHA. This policy is intended to supplement but not replace any relevant state laws governing conflicts of interest applicable to nonprofit and, where applicable, charitable corporations.

#### Definitions

***Interested Person*** -- Any trustee, director, principal officer, or member of a committee with board-delegated powers who has a direct or indirect dual or financial interest, as defined below, is an interested person. If a person is an interested person with respect to any OHA subsidiary or foundation, he or she is an interested person with respect to OHA.

***Dual or Financial Interest*** -- A person has a dual or financial interest if the person has, directly or indirectly, through business, investment or family an ownership interest, investment interest or compensation arrangement in any entity with which OHA has or is contemplating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

A dual interest or financial interest is not necessarily a conflict of interest. A person who has a dual interest or financial interest may have a conflict of interest only if the appropriate board or committee decides that a conflict of interest exists.

## **Duty to Disclose**

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of his or her dual or financial interest and must be given the opportunity to disclose all material facts to the directors and members of committees with board delegated powers considering the proposed transaction or arrangement.

## **Determining Whether a Conflict of Interest Exists**

After disclosure of the dual interest or financial interest and all material facts, and after any discussion with the interested person, the interested person may be asked by the chairperson to leave the board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

## **Procedures for Addressing the Conflict of Interest**

An interested person may make a presentation at the board or committee meeting, but after such presentation, the interested person may be asked by the chairperson to leave the meeting during the discussion of, and the vote on, the transaction or arrangement that results in the conflict of interest. The chairperson of the board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

After exercising due diligence, the board or committee shall determine whether OHA can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest. If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in OHA's best interest and for its own benefit and whether the transaction is fair and reasonable to OHA and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

## **Violations of the Conflicts of Interest Policy**

If the board or committee has reasonable cause to believe that a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

If, after hearing the response of the member and making such further investigation as may be warranted in the circumstances, the board or committee determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

## **Records of Proceedings**

The minutes of the board and all committee with board-delegated powers shall contain--

- the names of the persons who disclosed or otherwise were found to have a duality of interest or financial interest in connection with an actual or possible conflict of interest, the nature of the dual or financial interest, any action taken to determine whether a conflict of interest was present, and the board's or committee's decision as to whether a conflict of interest in fact existed, and
- the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

## **Compensation**

A voting member of the board of trustees who receives compensation, directly or indirectly, from OHA for services is precluded from voting on matters pertaining to that member's compensation. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from OHA for services is precluded from voting on matters pertaining to that member's compensation.

## **Annual Statements**

Each trustee, director, principal officer and member of a committee with board delegated powers shall annually sign a statement which affirms that such person

- has received a copy of the duality of interest and conflict of interest policy,
- has read and understands the policy,
- has agreed to comply with the policy, and
- understands the organization is tax-exempt and in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

## **Periodic Reviews**

To ensure that OHA operates in a manner consistent with its mission and tax-exempt purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted. The periodic reviews shall take into account whether compensation arrangements and benefits are reasonable and are the result of arm's-length bargaining and whether agreements to provide goods or services do not result in inurement or impermissible private benefit. In conducting periodic reviews, OHA may, but need not, use outside advisors. If outside experts are used their use shall not relieve the board of its responsibility for ensuring that periodic reviews are conducted.

## **CORPORATE OPPORTUNITIES**

Employees, officers, trustees and directors owe a duty to OHA to advance its legitimate interests when the opportunity to do so arises. Employees, officers, trustees and directors shall not take for personal use (or for use by any family member) any business opportunity learned of during the course of serving OHA or as a result of such individual's position with OHA. To the extent that an employee, officer, trustee or director learns of a business opportunity that is within OHA's existing or proposed lines of business, the employee, officer, trustee or director should inform the Board of Trustees of the business opportunity and refrain from personally pursuing the matter until such time as the Board of trustees decides to forego the business opportunity. At no time may any employee, officer, trustee or director utilize any OHA property to generate personal gain or engage or participate in any business that directly competes with OHA. See also "Conflicts of Interest."

## **POLITICAL PROCESS**

Employees, officers, trustees and directors shall comply with all laws, rules and regulations governing campaign finance and lobbying activities and shall not engage in any conduct that is intended to avoid the application of such laws to activities undertaken on OHA's behalf.

## **PROTECTION AND PROPER USE OF COMPANY ASSETS**

All employees will strive to preserve and protect the corporation's assets by making prudent and effective use of OHA resources and properly and accurately reporting its financial condition. The standards set forth below are intended to guide employees by articulating OHA's expectations as they relate to activities or behaviors that may impact OHA's financial health.

### **Internal Controls**

OHA has established control standards and procedures to ensure that assets are protected and properly used and that financial records and reports are accurate and reliable. All employees of OHA share the responsibility for maintaining and complying with required internal controls.

### **Accuracy of Reports**

You will use your best efforts to ensure the accuracy of any financial statements or reports, accounting records, tax returns, expense reports, time sheets, governmental reports or other such documents that you prepare or approve, whether for external or internal use.

### **Travel and Entertainment**

Travel and entertainment expenses should be consistent with the employees' job responsibility and the organization's needs and resources. It is OHA's policy that an employee should not suffer a financial loss nor incur a financial gain as a result of business travel and entertainment. Employees are expected to exercise reasonable judgment in the use of OHA's assets and to spend the organization's assets as carefully as they would spend their own. Employees must also comply with OHA policies relating to travel and entertainment expense.

### **Personal Use of Corporate Assets**

All employees are expected to refrain from converting assets of OHA to personal use. All property and business of OHA shall be conducted in the manner designed to further OHA's interest rather than the personal interest of an individual employee. Employees are prohibited from the unauthorized use or taking of OHA's equipment, supplies, materials or services. Prior to engaging in any activity on company time which will result in remuneration to the employee or the use of OHA's equipment, supplies, materials or services for personal or non-work related purposes, employees shall obtain the approval of the appropriate business unit or other management of OHA.



## **CONFIDENTIAL AND PROPRIETARY INFORMATION**

### **Confidentiality**

Confidential information includes all non-public information that might be of use to competitors, or harmful to OHA or its members, if disclosed. All information (including electronic information) that is created or used in support of association business activities is the property of OHA. Information is a valuable asset and employees are expected to protect it from unauthorized disclosure. This includes information about OHA members, suppliers, business partners and employees. Federal and state laws may restrict the use of such information and impose penalties for impermissible use or disclosure.

Employees, officers, trustees and directors should maintain the confidentiality of information entrusted to them by OHA or its members, vendors or consultants except when disclosure is authorized or legally mandated. Employees, officers, trustees and directors shall take all reasonable efforts to safeguard such confidential information that is in their possession against inadvertent disclosure and shall comply with any non-disclosure obligations imposed on OHA in its agreements with third parties.

### **Member Information**

All OHA employees have an obligation to conduct themselves in accordance with the principle of maintaining the confidentiality of member information in compliance with all applicable laws and regulations. Employees shall refrain from revealing any personal or confidential information concerning members unless supported by legitimate business purposes. If questions arise regarding an obligation to maintain the confidentiality of information or the appropriateness of releasing information, employees should seek guidance from OHA's Vice President and General Counsel.

### **Personnel Actions/Decisions**

Salary, benefit and other personal information relating to employees shall be treated as confidential. Personnel files, payroll information, disciplinary matters, and similar information shall be maintained in a manner designed to ensure confidentiality in accordance with applicable laws. Employees will exercise due care to prevent the release or sharing of information beyond those persons who may need such information to fulfill their job function.

### **Intellectual Property, Brand Management and Proprietary Information**

Information, ideas and intellectual property assets of OHA are important to organizational success. OHA's name, logo, inventions, processes and innovations are assets called "intellectual property," and their protection is vital to the success of OHA's business. In addition, employees must respect the intellectual property rights of third parties. Violation of others' intellectual property rights may subject both you and OHA to substantial liability, including criminal penalties. Use the OHA and subsidiary names and logos only for authorized company business and never in connection with personal or other activities unless appropriately approved. In such cases, the use must be in accordance with OHA policy.

Information pertaining to OHA's competitive position or business strategies and information relating to negotiations with employees or third parties, should be protected and shared only with employees having a need to know such information in order to perform their job responsibilities. Employees should exercise care to ensure that intellectual property rights, including patents, trademarks, copyrights and licenses are carefully maintained and managed to preserve and protect their value.

## **RECORDS MANAGEMENT**

Official corporate records such as articles of incorporation, minutes of board and committees, tax returns, accounting records, payroll records, personnel records, and certain reports filed with government agencies are to be maintained in accordance with any legal requirement and internal policy. Other than pursuant to an internal document retention policy, no such documents may be discarded or destroyed without the written approval of the OHA Vice President and General Counsel.

## **REPORTING VIOLATIONS**

Officers, trustees and directors must report any violation of this Code, OHA policy or legal requirement to OHA's President, Chief Financial Officer or Vice President and General Counsel. In reporting suspected violations, OHA encourages employees first to contact their immediate supervisor. If not comfortable doing so, they should contact OHA's President. If you believe that neither the President, Chief Financial Officer nor Vice President and General Counsel can impartially investigate or address the violation or suspected violation, you should make your report to the Chair or Treasurer of the OHA Board of Trustees.

OHA strives to create an environment where trustees and employees feel free to call attention to legal or policy violations and will impartially investigate reported concerns. OHA will support trustees and employees for good faith reporting of suspected allegations and not permit any retaliation for reporting suspected violations of laws, regulations or company policies. Reports may be given anonymously and OHA will undertake reasonable efforts to maintain the confidentiality of all reports.