

**STANDARDS *of* CONDUCT**

*And* **ETHICS** *for*

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

**THE GEORGIA HOSPITAL  
ASSOCIATION**

## **PURPOSE**

Dear Georgia Hospital Association (“GHA”) employees, officers, trustees and directors:

The purpose of this document is to outline the standards of ethical behavior GHA expects of you and serve as a guide to conduct for members. It contains standards for ethical behavior for hospital providers and executives. 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 GHA policies and procedures.
- The Code applies to GHA, its subsidiaries, foundations and affiliates as well as their employees, officers, trustees and directors regardless of location or position (hereafter collectively referred to as GHA).
- If you do not comply with the provisions of this Code and other GHA policies and procedures, your affiliation with GHA 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. In fulfilling that commitment, hospital executives serve as moral advocates. You could also face criminal penalties, civil liabilities, or both for violating the standards outlined in this Code.

Recent examples of wrongdoing by corporations have highlighted the importance of integrity and a high standard of ethics, which are fundamental to our beliefs. GHA is committed to doing what is right and deterring wrongdoing and we expect you to uphold these beliefs as well. If you have questions concerning the proper course of action, please consult your immediate supervisor or the Compliance Officer for direction.

## **COMPLIANCE OFFICER**

As part of GHA’s commitment to conducting its business ethically, the Board of Trustees has appointed a Compliance Officer who will consult with the Executive Committee of the GHA Board periodically and more frequently as needed. The Compliance Officer will

handle day-to-day operations of the Compliance Program. The Compliance Officer has overall responsibility to:

- Provide orientation, training and guidance on the meaning and application of the Code;
- Monitor and audit compliance with the Code; and
- Report periodically to management and the Executive Committee of the Board of Trustees on Compliance Program activities.

The Compliance Officer shall work closely with counsel to review and update the Code of Conduct and Ethics to reflect the current federal, state and local laws.

### **Amendments and Waivers**

Only GHA's Board of Trustees may amend this Code. Only the 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.

## **REPORTING VIOLATIONS**

Officers, trustees and directors must report any violation of this Code, GHA policy or legal requirement to GHA's Compliance Officer. In reporting suspected violations, we encourage employees first to contact their immediate supervisor. If not comfortable doing so, they should contact GHA's Compliance Officer.

GHA strives to create an environment where employees feel free to call attention to legal or policy violations and will impartially investigate reported concerns. GHA will support 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 GHA will undertake reasonable efforts to maintain the confidentiality of all reports.

## FAIR AND HONEST DEALING

Employees, officers, trustees and directors shall deal fairly and honestly with GHA'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. GHA trustees, directors, officers, and employees at every level of the organization share certain responsibilities, but individually will be held accountable for the following:

- **Honesty.** Employees, officers, trustees and directors will be honest, moral 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, GHA employees, officers, trustees and directors are expected to be fair and honest and to maintain the highest ethical and moral standards.
- **Respect.** Other employees, members, associate members, affiliated societies, sponsors, suppliers, competitors, and all business professionals will be treated in a nondiscriminatory fashion.
- **Dedication.** Employees and officers need to come to work each day ready to perform their jobs ethically and in a way that provides excellent service to our customers, demonstrates respect for each other, and adds value for our members.
- **Due Care.** Employees and officers are committed to member and co-worker satisfaction and should complete tasks in a precise and timely manner.
- **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.
- **Integrity.** We will deliver what we promise, fulfill all commitments and stand for what is right.
- **Responsibility.** Employees and officers 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**

GHA 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 GHA's Compliance Officer.

### **Antitrust Laws**

All employees 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.

### **Health Care Regulatory Laws**

GHA expects its employees to refrain from conduct which may violate health care regulatory laws. These laws prohibit (1) the submission of false, fraudulent or misleading claims to any government entity or third party payor, including claims for services not rendered, claims which characterize the service differently than the service actually rendered, claims for medically unnecessary services, or claims which do not otherwise comply with applicable program or contractual requirements; (2) direct, indirect or disguised payments in exchange for the referral of patients; (3) referrals to entities under certain circumstances where there exists an ownership or contractual relationship with such entity; and (4) making false representations to any person or entity in order to gain or retain participation in a program or to obtain payment for any service.

### **Discrimination Laws**

GHA believes the fair and equitable treatment of employees, members and other persons is critical to fulfilling its vision and goals. It is a policy of GHA to conduct 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 GHA 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 are expected to seek advice from GHA's Compliance Officer when confronted with business decisions involving a risk of violation of these laws.

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

GHA and its employees will comply with all applicable HIPAA provisions that regulate the privacy, security and electronic transmission of health information. GHA 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 ("Covered Persons") 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. All Covered Persons are expected to regulate their activities so as to avoid actual impropriety and/or the appearance of impropriety which might arise from the influence of those activities on business decisions of GHA, or from disclosure or private use of business affairs or plans of GHA. Employment by a GHA hospital or service as a trustee of a member hospital shall not be considered a conflict of interest. See also "Corporate Opportunities."

#### **Outside Financial Interests**

While not all inclusive, the following will serve as a guide to the types of activities by a Covered Person, or household member of such person, which might cause conflicts of interest. The list is not indicative of an actual conflict of interest, but merely reflects those situations which may warrant a closer analysis:

- Ownership in or employment by any outside concern which does business with GHA. This does not apply to stock or other investments held in a publicly held corporation, provided the value of the stock or other investments does not exceed 5% of the corporation's stock. GHA may, following a review of the relevant facts, permit ownership interests which exceed these amounts if management concludes such ownership interests will not adversely impact GHA's business interest or the judgment of the Covered Person.
- Representation of GHA by a Covered Person in any transaction in which he or she, or a household member, has a substantial personal interest.

- Disclosure or use of confidential, special or inside information of or about GHA, particularly for personal profit or advantage of the Covered Person or a household member.
- Competition with GHA by a Covered Person, directly or indirectly, in the purchase, sale or ownership of property or property rights or interests, or business investment opportunities.

### **Services for Vendors**

No employee shall perform work or render services for any organization with which GHA does business or which seeks to do business with GHA, outside of the normal course of his/her employment with GHA, without the approval of the Compliance Officer. Nor shall any such employee be a trustee, director, officer, or consultant of such an organization, nor permit his/her name to be used in any fashion that would tend to indicate a business connection with such organization.

### **Participation on Boards of Directors/Trustees**

- An employee must obtain approval from the GHA Compliance Officer prior to serving as a member of the Board of Trustees/Directors of any organization whose interest may conflict with those of GHA.
- A Covered Person who is asked, or seeks to serve on the Board of Trustees/Directors of any organization whose interest would not impact GHA (for example, civic [non-governmental], charitable, fraternal and so forth) will not be required to obtain such approval.
- A Covered Person must disclose all Board of Trustees/Directors activities in his or her Conflict of Interest Disclosure Statement. A form Disclosure Statement is attached to this Code of Conduct.
- GHA retains the right to prohibit membership on any Board of Trustees/Directors where such membership might conflict with the best interest of GHA, or as an alternative, to request the affected Covered Person to resign his / her position with GHA.
- Questions regarding whether or not Board participation might present a conflict of interest should be discussed with the GHA Compliance Officer.

### **Honoraria**

Employees are, with the permission of their supervisor, encouraged to participate as faculty and speakers at educational programs and functions. However, any honoraria in excess of One Thousand Dollars (\$1,000) shall be turned over to GHA unless the employee used paid time off to attend the program or that portion of the program for

which the honoraria is paid. Special exceptions to the foregoing may be considered by joint approval of your supervisor and the Compliance Officer.

## **CORPORATE OPPORTUNITIES**

Employees, officers, trustees and directors owe a duty to GHA 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 GHA or as a result of such individual's position with GHA. To the extent that an employee, officer, trustee or director learns of a business opportunity that is within GHA'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 GHA property to generate personal gain or engage or participate in any business that directly competes with GHA. 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 GHA'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 GHA resources and properly and accurately reporting its financial condition. The Standards set forth below are intended to guide employees by articulating GHA's expectations as they relate to activities or behaviors that may impact GHA's financial health.



## **Internal Controls**

GHA 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 GHA share the responsibility for maintaining and complying with required internal controls.

## **Financial Reporting**

All financial reports, accounting records, research reports, expense accounts, time sheets and other documents must accurately and clearly represent the relevant facts or the true nature of a transaction. Improper or fraudulent accounting, documentation or financial reporting is contrary to the policy of GHA and may be in violation of applicable laws.

## **Travel and Entertainment**

Travel and entertainment expenses should be consistent with the employees' job responsibility and the organization's needs and resources. It is GHA'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 GHA's assets and to spend the organization's assets as carefully as they would spend their own. Employees must also comply with GHA policies relating to travel and entertainment expense.

## **Personal Use of Corporate Assets**

All employees are expected to refrain from converting assets of GHA to personal use. All property and business of GHA shall be conducted in the manner designed to further GHA's interest rather than the personal interest of an individual employee. Employees are prohibited from the unauthorized use or taking of GHA'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 GHA'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 GHA.

## CONFIDENTIAL AND PROPRIETARY INFORMATION

### **Confidentiality**

Confidential information includes all non-public information that might be of use to competitors, or harmful to GHA or its members, if disclosed. All information (including electronic information) that is created or used in support of company business activities is the property of GHA. Information is a valuable asset and employees are expected to protect it from unauthorized disclosure. This includes information about GHA members, suppliers, business partners and employees. Federal and state law 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 GHA 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 GHA in its agreements with third parties.

### **Member Information**

All GHA 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 GHA's Compliance Officer.

### **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 GHA are important to organizational success. GHA's name, logo, inventions, processes and innovations are assets called "intellectual property," and their protection is vital to the success of GHA'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 GHA to substantial liability, including criminal penalties. Use the GHA 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 GHA policy.

Information pertaining to GHA'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.

A basic definition of common types of intellectual property rights follows:

**PATENTS** permit inventors to exclude others from making, using, or selling their inventions. Report any unauthorized use of GHA's patents and only use inventions patented by third parties within the terms of a license agreement.

**TRADEMARKS** and **SERVICE MARKS** are words, names, and symbols that help consumers recognize a product or service and distinguish it from those of competitors. Our name and logo are among GHA's most valuable assets. The use of GHA's trademarks or service marks by a third party must be properly authorized or licensed. Requests for use of the GHA name, service marks and trademarks must be reviewed by counsel, who will assist in confirming all appropriate permissions are obtained. Do not use a third party's trademark or service mark without written permission.

**COPYRIGHTS** protect works like articles, drawings, photographs, video, music, audiotapes and software and generally prohibit unauthorized copying or downloading of these works. Do not copy these materials without first determining that GHA has obtained permission from the copyright holder or that other limited copying is legally permitted. Consult with the Compliance Officer if you have questions.

A **TRADE SECRET** is valuable information that creates a competitive advantage for GHA by being kept secret. Examples include information about customers, like their buying patterns and needs, and financial, planning, marketing, and strategic information about GHA's current and future business plans. Treat as trade secrets and keep confidential all commercially sensitive and important business information of GHA and

all similar information of other companies and persons that GHA has received under a confidentiality agreement.

Intellectual Property that you create during the course of your employment belongs to GHA. Share any innovations or inventions you create with your supervisor so that GHA can take steps to protect these valuable assets.

## **RECORDS MANAGEMENT**

GHA's corporate records are important assets. Corporate records include essentially everything you produce as an employee, regardless of its format. A corporate record may be in the form of paper, computer tapes, microfilm, E-mail, or voice mail. It may be something as obvious as a memorandum or a contract or something not as obvious, such as a desk calendar, an appointment book, or an expense record.

GHA is required by law to maintain certain types of corporate records, usually for a specified period of time. Failure to retain such documents for such minimum periods could subject GHA to penalties and fines, cause the loss of rights, obstruct justice, place GHA in contempt of court, or place GHA at a serious disadvantage in litigation. However, storage of voluminous records over time is costly. Therefore, GHA has established controls to assure retention for required periods and timely destruction of retrievable records, such as paper copies and records on computers, electronic systems, microfiche, and microfilm. Even if a document is retained for the legally required period, liability could still result if a document is destroyed before its scheduled destruction date.

GHA expects all employees to become familiar with and fully comply with the records retention/destruction schedule for the departments for which they work. If you believe documents should be retained beyond the applicable retention period, consult with the Compliance Officer.

## CONTACTS AND PHONE NUMBERS

Corporate Compliance Officer-Temple Sellers.....	(770) 249-4527
Chief Executive Officer-Joseph Parker.....	(770) 249-4522
Executive Vice President-Vi Naylor .....	(770) 249-4521
Executive Vice President-Glenn Pearson.....	(770) 249-4523
Corporate Secretary/Treasurer-Ginger Anspaugh.....	(770) 249-4501

## CONFLICT OF INTEREST DISCLOSURE STATEMENT

I, \_\_\_\_\_, acknowledge receipt of the Standards of Conduct and Ethics for GHA and agree to read and abide by the terms therein. I further disclose to the Board of Trustees of The Georgia Hospital Association that I serve either as an officer or as a member of the Board of Trustees/Board of Directors of the following entities:

<u>Entity</u>	<u>Title</u>
_____	_____
_____	_____
_____	_____

\_\_\_\_\_  
[Print Name]

\_\_\_\_\_  
[Signature]

\_\_\_\_\_  
[Date of Disclosure Statement]

I further disclose that I or my spouse, child or sibling (or any entity in which I, my spouse, child or sibling owns a financial interest) hold a direct or indirect ownership interest in assets or stock of the following entities that sell products or services to The Georgia Hospital Association (other than publicly traded corporations in which I or my spouse, child or sibling own less than 5% of the corporation's stock):

Name of Entity

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Total Percentage of  
Ownership Held by  
Board Member or  
Spouse, Child or Sibling

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I further disclose that I or my spouse, child or sibling (or any entity in which I, my spouse, child or sibling own a financial interest) have the following contracts with The Georgia Hospital Association:

Name of Entity Having  
Contractual Relationship

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Nature of Contract  
(lease, service contract,  
supply contract, etc.)

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\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date of Disclosure Statement

## CONFLICT OF INTEREST DISCLOSURE STATEMENT

As used herein, the term “the Georgia Hospital Association” refers to GHA and to its subsidiaries, foundations and affiliates, including the Georgia Hospital Association Research and Education Foundation (GHAREF), Georgia Hospital Health Services (GHHS), Health Care Insurance Resources (HCIR) and the GHA Workers’ Compensation Self Insurance Fund (WCSIF).

I, \_\_\_\_\_, acknowledge receipt of the Standards of Conduct and Ethics for GHA and agree to read and abide by the terms therein. I further disclose to the Board of Trustees of The Georgia Hospital Association that I serve either as an officer or as a member of the Board of Trustees/Board of Directors of the following entities:

<u>Entity</u>	<u>Title</u>
_____	_____
_____	_____
_____	_____

\_\_\_\_\_  
[Print Name]

\_\_\_\_\_  
[Signature]

\_\_\_\_\_  
[Date of Disclosure Statement]

I further disclose that I or my spouse, child or sibling (or any entity in which I, my spouse, child or sibling owns a financial interest) hold a direct or indirect ownership interest in assets or stock of the following entities that sell products or services to The



Georgia Hospital Association (other than publicly traded corporations in which I or my spouse, child or sibling own less than 5% of the corporation's stock):

<u>Name of Entity</u>	<u>Total Percentage of Ownership Held by Board Member or Spouse, Child or Sibling</u>
_____	_____
_____	_____

I further disclose that I or my spouse, child or sibling (or any entity in which I, my spouse, child or sibling own a financial interest) have the following contracts with The Georgia Hospital Association:

<u>Name of Entity Having Contractual Relationship</u>	<u>Nature of Contract (lease, service contract, supply contract, etc.)</u>
_____	_____
_____	_____

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date of Disclosure Statement