

Hunterdon Healthcare System Corporate Compliance Program

I. STATEMENT OF PURPOSE:

Hunterdon Healthcare System (“Hunterdon”) is committed to carrying out its mission lawfully and ethically. While we serve many customers with diverse needs and expectations, our focus has always been and continues to be on our patients and must never be compromised. As such, patient access to care and clinical judgement and decision making shall never be compromised, nor patient care jeopardized, by financial considerations. As our reputation is created by the collective efforts of its personnel, it is important that everyone within the Hunterdon Healthcare System, as well as its external business partners (vendors, contractors, and other agents), meet the highest standards of legal and ethical conduct. To guide our personnel in conducting their duties according to acceptable standards of conduct, Hunterdon has established a Code of Ethics as part of its Corporate Compliance Program.

II. POLICY:

The Corporate Compliance Program is designed to prevent and detect violations of law through enforcement of the Code of Ethics. The Director of Corporate Compliance/Internal Audit has been appointed the Compliance Officer to ensure compliance with the Corporate Compliance Program, and to serve as a contact for organizational members, patients, and vendors to report any potential violations of laws, regulations, or the Corporate Compliance Program. In addition, the Compliance Officer will take appropriate action against violators of any such laws, regulations or the Corporate Compliance Program.

It is the policy of Hunterdon that all employees, medical staff, volunteers, and trustees (hereto referred to as “staff” within this document), and external entities with which Hunterdon conducts business, conduct themselves according to the highest ethical standards in accordance with all applicable laws, rules and regulations. Any doubts whatsoever as to the propriety of a particular situation, whether or not the situation is described within the Code of Ethics, should be submitted to a member of management or to the Compliance Officer.

Any staff member violating a provision of the Code of Ethics will be subject to disciplinary action, up to and including discharge from the organization. Any external vendor, contractor, or agent violating a provision of the Code of Ethics will be subject to remedial action, up to and including immediate termination of any and all business agreements involving Hunterdon, or in the case of an individual representative, replacement by another representative from his/her company.

III. CORPORATE COMPLIANCE COMMITTEE:

As part of the Hunterdon Corporate Compliance Program, a Corporate Compliance Committee has been established to ensure that the Program is maintained in an effective manner. This Committee meets on a monthly basis in order to discuss and resolve compliance issues. The committee is comprised of the Executive Vice President and Chief Operating Officer, the Vice President of Finance, the Chief Information Officer, the Director of Finance, the Vice President of Human Resources, and the Director of Corporate Compliance/Internal Audit. The Director

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of Corporate Compliance serves as the Committee chairperson. In addition to these permanent members, the committee extends invitations to other attendees as the need arises.

IV. POLICIES/PROCEDURES:

Hunterdon staff members must comply with all Hunterdon policies and procedures, in addition to policies and procedures specific to the functions of their individual departments. The vendors/contractors interacting with staff members of a particular department are expected to comply with policies and procedures specific to that department – as well as Hunterdon’s Code of Ethics addressing how business is to be carried out in an ethical and legal manner.

The principles for ethical and legal business activities include, but are not limited to the following:

- ◆ An obligation to provide services to those in need, regardless of their ability to pay;
- ◆ The rights of every patient will be observed, without discrimination;
- ◆ Hunterdon’s commitment to maintaining those business practices which are both sound and fair, with decisions to use certain medical products/services based on the merits of these products, and not on personal gain and/or favoritism;
- ◆ Health care programs created by Hunterdon are done so with the fundamental purpose of supporting the basic mission of Hunterdon Healthcare System, to ensure a clear understand of the System’s mission and accountability to the community Hunterdon serves;
- ◆ Patients, employees, and vendors will be treated fairly and with mutual respect, free of harassment;
- ◆ Billing will be conducted within applicable laws and only for those services rendered by Hunterdon Healthcare system;
- ◆ Patient confidentiality will be maintained;
- ◆ Conflicts of interests are to be adequately resolved and documented before carrying out a business activity or strategy;
- ◆ Hunterdon will comply with EMTALA to ensure that medical screenings and services are provided to all patients who present themselves to the hospital and request an examination, regardless of ability to pay;
- ◆ Interactions with patients, suppliers, independent contractors, vendors, and consultants shall be conducted in a manner such that contract negotiations, antitrust issues, anti-kickback and false claims issues, as well as conflict of interest, business courtesies, and confidential information, are handled within the letter of the law and the spirit of the law.

V. TRAINING:

- A. Every staff member of Hunterdon is required to understand and comply fully with both the rules and procedures established by the Code of Ethics. All staff will execute a Statement of Understanding on a yearly basis. New staff members shall sign the Statement of Understanding within thirty (30) days of joining the organization and thereafter on a yearly basis in conjunction with the training requirements set forth in the Corporate Compliance Program.

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- B. In consultation and coordination with Hunterdon management and the Compliance Committee, the Compliance Officer shall ensure that all staff members have, on a yearly basis, received training dealing with the Corporate Compliance Program and the Code of Ethics.
- C. Vendors/contractors shall be required to acknowledge their understanding of Hunterdon's *Standards of Business Conduct for Vendors* and the principles of Hunterdon's Corporate Compliance Program, as requested by Hunterdon. These documents shall be available on Hunterdon's internet website for the convenience of vendors/contractors.

VI. REPORT TO BOARD OF TRUSTEES:

At least annually, the Director of Corporate Compliance/Internal Audit shall report to the Chief Executive Officer and the Board of Trustees concerning: (1) Adherence to the standards of legal and ethical conduct contained in the Corporate Compliance Program and the Code of Ethics; (2) any new or revised policies to be implemented; (3) the results of monitoring and auditing activity; (4) a summary of staff training; and (5) any report of suspected or confirmed non-compliance.

VII. REPORTING VIOLATIONS AND DISCIPLINE:

Strict adherence to the Code of Ethics is vital. Leaders are responsible for ensuring that staff members are aware of and adhere to the provisions of the Corporate Compliance Program/Code of Ethics. Vendors and contractors are responsible for being aware of Hunterdon's Code of Ethics and complying with the Code's principles as business is conducted with Hunterdon. For clarification or guidance on any point in the Code of Ethics, please consult the Compliance Officer; the Compliance Officer's contact information is available on Hunterdon's internet website for those external to Hunterdon and is also available on the intranet for the convenience of employees, management, and medical staff.

Hunterdon associates (employees, management, medical staff, and vendors) are expected to report any suspected violations of the Code of Ethics or other irregularities to a supervisor, member of management, or to the Compliance Officer. If the individual reporting the suspected violation wishes to remain anonymous, he or she may submit his/her report in writing through inter-hospital mail to the Compliance Officer, U.S. Mail, or through the Corporate Compliance Fraud and Abuse Hotline (908) 788-2585. All reports submitted in writing or through the voice mailbox system must contain sufficient information – e.g., dates, times, names of individuals involved – for the Compliance Officer to objectively and thoroughly investigate the concerns raised. In accordance with federal and state laws prohibiting retaliation, no adverse action or retribution of any kind will be taken by Hunterdon against a staff member or vendor because he or she reports, in good faith, a suspected violation of the Code of Ethics or other irregularity by any person other than the reporting member. Hunterdon will attempt to treat such reports confidentially to the maximum extent consistent with fair and rigorous enforcement of the Code of Ethics.

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Upon receipt of all reports of suspected violations or irregularities, the Compliance Officer shall immediately begin a detailed investigation and take corrective action where appropriate. Violations of the Corporate Compliance Program/Code of Ethics may result in discipline ranging from a warning and reprimand to discharge or, where appropriate the filing of a civil or criminal complaint, against an employee. For vendors or contractors involved in misconduct, Hunterdon reserves the right to immediately terminate purchase contracts involved with the vendor/contractor or request immediate assignment of a new representative from the business of the vendor/contractor. Disciplinary decisions will be made by administration subject to review by the Compliance Officer and in conjunction with the Vice President of Human Resources and Development, Purchasing Director, and other members of management, as applicable. Staff members will be informed of the charges against them, and will be afforded the opportunity to provide input during the investigation prior to the administration of any disciplinary action. Similarly, a vendor/contractor will be afforded the opportunity to provide a response about the allegation(s) that have been levied against their entity.

VIII. LIMITATION ON EFFECT OF CODE OF ETHICS:

Nothing contained in the Code of Ethics is to be construed or interpreted to create a contract of employment or contract for the provision of products/services by entities external to Hunterdon, either expressed or implied, nor is anything contained in the Code of Ethics intended to alter a person's status of employment with Hunterdon to anything but an "employment-at-will" relationship.

IX. RESERVATION OF RIGHTS:

Hunterdon reserves the right to amend the Code of Ethics and the Corporate Compliance Program, in whole or in part, at any time, solely at its discretion. Any revision will be approved by the Board of Trustees.