



Code of Conduct

CORPORATE COMPLIANCE AND INTERNAL AUDIT



In partnership with
ORLANDO HEALTH

A Message From The CEO:



Dear South Lake Hospital Family,

South Lake Hospital is a patient-first healthcare delivery facility offering a wide range of sophisticated healthcare services. As a patient-first organization, we seamlessly coordinate all aspects of the patient experience with team members and medical staff working together to achieve quality-driven, extraordinary care. Our mission is to improve the health and quality of life of the individuals and communities we serve. We are committed to providing the highest quality of care and pledge to conserve time, money and resources. We live in a world of constant change. That is why South Lake Hospital is dedicated to preserving its reputation as a trusted leader that acts with integrity and upholds ethical standards. In an effort to adhere to all laws, government regulations, third-party payor agreements and South Lake Hospital's own policies and procedures, we maintain a Corporate Compliance Program.

Our Code of Conduct is an essential component of our Corporate Compliance Program. It supports our mission by reaffirming the values and professional standards that exist among the South Lake family . . . *quality, honesty and integrity in everything we do.*

Many of the topics in our Code of Conduct are consistent with our commitment to doing things the right way every time. We believe in treating each other and the patients we serve with dignity and respect.

Please take time to read our Code of Conduct and familiarize yourself with its contents. Keep a copy on hand for quick reference or know how to readily locate. If you ever have a question or concern that is unclear or not covered within our Code of Conduct, be sure to ask your manager or contact Corporate Integrity.

South Lake Hospital's Board of Directors and the management team join me in pledging our commitment to upholding our Code of Conduct and our Corporate Compliance Program. Thank you for your continued dedication to making South Lake Hospital a patient-first organization of which we can all be proud.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Moore'. The signature is fluid and cursive, with a long, sweeping underline that extends to the left.

John Moore
Chief Executive Officer

OUR MISSION

To improve the health and quality of life of the individuals and communities we serve.

OUR VISION

Our vision is to become the organization people of south Lake County instinctively look to for solutions to their health and human services needs.

OUR VALUES

AT SOUTH LAKE HOSPITAL, WE STRIVE TO PROVIDE:

- 🔄 Healthcare services that meet or exceed all applicable medical standards for quality
- 🔄 A culture of patient safety as a key component in the delivery of patient care
- 🔄 Quality healthcare services that exceed expectations for guest satisfaction
- 🔄 An environment that is safe, clean and attractive for all
- 🔄 Quality healthcare in the most cost-effective manner
- 🔄 An environment in which service excellence, team spirit, mutual respect and cordiality are clearly evident in all interpersonal interactions
- 🔄 Hospital and individual commitment to the current and future needs of our community



dig ni ty
[dig-ni-tee] n

*The quality or state of being
worthy of esteem or respect Honor*

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INTRODUCTION

South Lake Hospital recognizes that fostering an atmosphere of integrity and honesty is of utmost importance. To ignore our responsibilities would jeopardize our mission to improve the health and quality of life of the individuals and communities we serve. In addition, our Patient-First strategic vision of everyone working together as a team to provide the best quality, comfort and service to our patients and guests in a genuine, caring environment would be at risk.

South Lake Hospital is committed to conducting its business in full compliance with laws, regulations, rules, our corporate policy and our Code of Conduct. We have an affirmative duty to be compliant and report compliance concerns. Adherence with our Code of Conduct and Corporate Compliance Program applies to all team members, as well as Board members, providers, volunteers, students and other individuals authorized to act as representatives of South Lake Hospital. Further, our Code of Conduct applies to community physicians, vendor representatives and independent contractors while carrying out their duties at or on behalf of South Lake Hospital.

The purpose of our Code of Conduct is to assist us in maintaining South Lake Hospital's high ethical standards in all business dealings. It will help guide us in making decisions that conform to the ethical and legal standards expected of us all. While our Code of Conduct is designed to provide overall guidance, it does not address every situation. More specific guidance is provided in South Lake Hospital's policies and procedures.

If there is no specific policy, our Code of Conduct becomes the policy. If a policy and our Code of Conduct conflict, our Code of Conduct becomes the policy. Our Code of Conduct is a "living document" that is periodically updated to respond to changing conditions. Questions regarding our Code of Conduct, or any issue, should be brought to the attention of our immediate supervisor, then up through leadership including the chief compliance officer. Issues can also be reported anonymously to our confidential Compliance Hotline.

Our Code of Conduct is not an employment contract, nor is it intended to provide any expressed or implied rights of continued employment. Conduct contrary to our Code of Conduct will result in an investigation and possible disciplinary action up to and including discharge.

"Corporate Integrity" refers to South Lake Hospital's Corporate Compliance, Internal Audit, and Privacy and Information Security teams collectively.

CORPORATE COMPLIANCE PROGRAM

The Corporate Compliance Program exists to assist us in complying with laws, regulations, rules, corporate policy and our Code of Conduct. The program supports team members and other affiliates by providing education on these requirements while being a resource to consult and interpret corporate policy and compliance matters. The Corporate Integrity team sustains the Corporate Compliance Program by staying abreast of current healthcare trends and information to better forecast the evolving compliance needs of South Lake Hospital.

Corporate Integrity includes professionals who are trained and certified in healthcare compliance. These individuals have many years of experience in a broad range of disciplines including: accounting, auditing, compliance, education, healthcare, information technology, law, management, nursing, privacy, research, training and development, and other healthcare functions. Corporate Integrity does not replace any other function within South Lake Hospital. The department ensures that we are providing excellent patient care in accordance with laws, regulations, rules, corporate policy and our Code of Conduct.

THE THREE STEP COMMUNICATION PROCESS

Maintaining the ethical standards of South Lake Hospital is everyone's responsibility.

If we become aware of or suspect a situation that might jeopardize the ethical integrity of our organization, it is our obligation to report the circumstances.

The Three-Step Communication Process was developed to assist us with our responsibility to report possible violations of laws, regulations, rules, corporate policy and our Code of Conduct. The process asks us to do the following:

1. Talk to our immediate supervisor;
2. Talk to the manager or director responsible for our area; or
3. Call our confidential Compliance Hotline at 888.464.6747.

For more information about our *Three-Step Communication Process* please see below.

COMPLIANCE HOTLINE

What is our confidential Compliance Hotline?

South Lake Hospital's Compliance Hotline is a simple, confidential, risk-free method for us to report activities that may involve ethical violations or criminal conduct. Our Compliance Hotline is available 24 hours a day, seven days a week and is managed and operated by an independent communications firm hired by Orlando Health to ensure the integrity and objectivity of compliance reporting.

Why is our Compliance Hotline important?

South Lake Hospital is committed to conducting business in compliance with all applicable laws. Our Compliance Hotline is an effective way to report inappropriate activities and behavior.

What should we report to our Compliance Hotline?

Call our confidential Compliance Hotline to report violations related to:

- Patient rights
- Professional standards of practice
- Medicare/Medicaid fraud and abuse
- Fraudulent billing
- Professional and business ethics
- Bribes
- Kickbacks
- Confidentiality concerns
- Conflicts of interest



What steps should we take to report a concern?

First, concerns should be reported as outlined in our *Three-Step Communication Process* above. If those reports are not acted upon in a timely manner, we should call our confidential Compliance Hotline.

What happens when we make a call?

Calls to our Compliance Hotline are answered by an independent, third-party communications specialist who will document the information and generate a written report. Upon receipt, Corporate Compliance will initiate an investigation and collaborate with the appropriate department for inquiry. Results will be reported back to the communications specialist who will provide an update for the caller to retrieve if desired.

To protect everyone involved, no disciplinary or legal action will be taken based solely on Compliance Hotline calls. Only substantiated findings from an investigation will result in further action.

Do we have to reveal our name?

No. We are not required to identify ourselves and calls are not recorded. At the end of the call, the communications specialist will assign a uniquely coded number that can be referred to during any follow-up calls.

What if we do not have all the facts?

We should call our confidential Compliance Hotline even if we are not sure there is a problem. Corporate Compliance will investigate the information provided and take appropriate action if warranted.

Compliance reports can be made the following ways:

Call our confidential Compliance Hotline:

888.464.6747

Call Corporate Compliance directly:

321.841.2335

Send concerns in writing, to:

David Huddleson
Chief Compliance Officer
Orlando Health
1414 Kuhl Avenue, Mail Point 29
Orlando, FL 32806

Email concerns to our chief compliance officer at:

david.huddleson@orlando.health.com

LEGAL COMPLIANCE

Government regulation of the healthcare industry is increasingly complex. Furthermore, federal and state governments have made healthcare fraud and abuse a top law-enforcement priority. South Lake Hospital takes its responsibility to comply with the law very seriously and has taken steps to prevent, detect, deter and correct legal violations. The following standards are neither exclusive nor complete. We are required to comply with all applicable laws, whether or not they are specifically addressed in corporate policy or our Code of Conduct. If we have any questions regarding the existence, interpretation, or application of any law, we should contact Corporate Integrity.

Antitrust

Antitrust laws are designed to create a level playing field in the marketplace and to promote fair competition. We will comply with applicable antitrust and similar laws that regulate competition. There will be no discussions or agreements with competitors regarding price or other terms for product sales, prices paid to suppliers or providers, dividing up customers or geographic markets, or joint action to boycott or coerce certain customers, suppliers, or providers.

We are affiliated with numerous trade and professional associations. It is not uncommon to learn information about other organizations, including competitors, through legal and ethical means. These affiliations promote the sharing of information; however, it is not always appropriate to share business information with these associations and their members. We will take care to safeguard any proprietary and confidential business data.

Marketing and advertising activities designed to provide information to the community, increase awareness of our services or to educate the public may be used. All communications, both oral and written, are to be presented in a truthful, fully informative and non-deceptive manner.

It is standard practice for physicians to review the work of their peers. However, credentialing and peer review activities conducted by physicians may carry antitrust implications. Participating physicians may, by virtue of their medical specialties, be competitors of physicians being reviewed. Given this, special care must be taken to ensure that free and open competition is maintained. As a result, credentialing, peer review and physician discipline at South Lake Hospital is conducted only through properly constituted committees. Physicians participating in these activities are expected to use objective medical judgment.

We are expected to seek advice from Corporate Integrity when confronted with business decisions involving a potential violation of the antitrust laws.

Tax

South Lake Hospital is organized and operated exclusively for charitable purposes to serve the healthcare needs of the community and therefore, is exempt from the payment of federal income tax. All of South Lake Hospital's assets are used exclusively to further its charitable purposes. Such assets may not be used to benefit any individual or person who is in a position to exercise influence over the business concerns of South Lake Hospital. Moreover, South Lake Hospital may not allow net earnings to benefit insiders of the organization, nor may South Lake Hospital take part in any activities that result in excess financial benefits to any private individual. As a tax-exempt organization, we avoid compensation arrangements in excess of fair market value, accurately report payments to appropriate taxing authorities and file all tax and information returns consistent with applicable laws.

Fraud and Abuse

South Lake Hospital has adopted policies and procedures to prevent, detect, deter and correct fraud, waste and abuse in accordance with federal and state laws. Our policies are readily available in the Administrative Manual.

Various federal and state laws such as the Federal False Claims Act and the Florida False Claims Act prohibit false claims and other fraudulent activity. Violations of these laws can result in civil actions and penalties. For example, the Federal False Claims Act prohibits conduct such as knowingly submitting a false or fraudulent claim to any federal agency or payor. Furthermore, the Florida False Claims Act prohibits knowingly causing the Florida government to pay claims that are false. Other laws and regulations governing Medicare/Medicaid program integrity are in place to reduce fraud and abuse.

The following are examples of fraud, waste or abuse:

- Falsifying documentation of a diagnosis or procedure code to obtain a higher rate of reimbursement
- Forging or changing patient billing-related items such as making false claims, or billing for services or supplies that are not rendered, medically necessary nor documented
- Misrepresenting a diagnosis or procedure code in order to obtain payment
- Altering or forging checks
- Misusing or stealing funds
- Mishandling or improperly reporting financial transactions
- Inappropriately giving or receiving payment in connection with business transactions
- Falsifying or altering any record or report, such as an employment application, payroll or time record, expense account, cost report, medical record, patient record, scientific research or data collection record
- Theft or unauthorized use of furniture, fixtures, equipment, supplies, software or other property

Routine auditing, monitoring, reviews and the establishment of internal controls help us prevent, detect, deter and correct fraud, waste and abuse. Please do not ignore these types of activities. If we know or suspect activity of this nature, we are to report it immediately using our *Three-Step Communication Process* discussed earlier. If we are uncertain whether an activity is fraudulent, we are to contact Corporate Integrity for guidance.

Individuals who lawfully report false claims or other fraudulent conduct, or who otherwise assist in an investigation, action or testimony, are protected from retaliation under federal and state laws and corporate policy. We will not discriminate or retaliate against any whistleblower who files, in good faith, a civil action for false claims or participates in an South Lake Hospital investigation.

Coding and Billing

We have processes in place to assist with accurate billing to government payors, commercial insurance payors and patients. Coding and billing are performed accurately, in accordance with laws, regulations, rules, corporate policy and our Code of Conduct. We must ensure that the information required for proper coding accurately reflects the care provided and is documented in patient medical records and encounter forms.

Accurate and timely documentation is dependent South Lake Hospital on the diligence of providers who treat patients in our facilities. We do not destroy any information considered part of the official medical record.

All payments and other transactions will be properly documented and authorized by management. Payors will be notified of payment errors and refunds will be processed promptly and accurately.

Political Activity and Lobbying

South Lake Hospital believes that our democratic form of government benefits from citizens who are politically active. For this reason, we are encouraged to participate in personal civic and political activities on our own time and at our own expense. While doing so, it is important not to give the impression that we are speaking on behalf of or representing South Lake Hospital.

South Lake Hospital's own political activities are limited by law. We cannot use organizational funds or resources to contribute to political campaigns or for gifts or payments to any political candidate, political party or any affiliated organization. We cannot be required to make any contribution or ask for reimbursement for any contribution made to political candidates or campaigns.

Intellectual Property

We follow the laws regarding intellectual properties, including patents, trademarks, marketing, copyrights and software. South Lake Hospital will comply with the laws in all our internal and external activities. As a result, it is against corporate policy to inappropriately make, acquire, use, distribute or reproduce intellectual property.

South Lake Hospital purchases and subscribes to a variety of printed and online publications. We follow all copyright laws of the United States, even if the work does not carry the copyright symbol. These laws prohibit the reproduction or copying of the publication without permission from the copyright holder. We do not reproduce documents for distribution outside South Lake Hospital, unless we have the appropriate permission from management and the copyright holder.

Any work of authorship, invention, or other creation we create during the scope of our employment with South Lake Hospital shall be considered the property of South Lake Hospital, including any patent, trademark, copyright, trade secret or other intellectual property rights.

Environmental

South Lake Hospital is committed to providing a safe and secure environment for everyone. We comply with established safety and infection control laws and regulations, which are intended to prevent job-related hazards. We are consistent with ergonomic standards and maintain a safe work environment.

We are respectful of the environment and conserve natural resources. We exercise our policies and procedures with regard to the environment and use South Lake Hospital's buildings, property, laboratory processes and medical products in accordance with federal, state and accreditation standards. We comply with permit requirements that allow for the safe discharge of pollutants into the air, sewage systems, water or land. We comply with all laws and regulations governing the handling, storage, use and disposal of hazardous materials, other pollutants and infectious wastes.

Workplace Conduct and Employment Practices

South Lake Hospital provides equal employment opportunities to prospective and current team members, based solely on merit, qualifications and abilities. We respect team members and organizational affiliates and do not discriminate in employment opportunities or practices on the basis of race, color, religion, sex, national origin, ancestry, age, physical or mental disability, sexual orientation, veteran status or any other status protected by law.

We support and observe a workplace free of alcohol, drugs and tobacco use.

South Lake Hospital fosters an environment free of any type of harassment, derogatory comments and disruptive behavior. All types of harassing behavior are prohibited. We do not make offensive comments, jokes, indirect suggestions or sexually-oriented statements. Sexual advances, requests for sexual favors and all other verbal or physical conduct of a sexual nature are prohibited.

Any behavior that interferes with a team member's work performance or creates an intimidating, hostile or offensive work environment will not be tolerated by South Lake Hospital. Management is responsible for preventing discrimination and harassment of any kind. Everyone is responsible for respecting the rights of their fellow team members and for reporting inappropriate behavior to the appropriate parties.

Screening of Team Members, Physicians and Vendors

We do not knowingly contract with, employ or bill for services rendered by an individual or entity that is excluded or ineligible to participate in federal healthcare programs, suspended or debarred from federal government contracts, or has been convicted of a criminal offense related to the provision of healthcare items or services.

The federal government publishes a list of individuals and businesses that are not allowed to receive reimbursement from governmental payors (e.g., Medicare and Medicaid) for services provided. At least twice a year, all South Lake Hospital team members, physicians, allied health professionals, Board members and vendors are verified against these lists to ensure that we are not employing or conducting business with excluded persons or entities.

Investigations and Requests for Information

It is South Lake Hospital's policy to promptly and thoroughly investigate reports of illegal activity or violations of our Code of Conduct and corporate policy. We must cooperate with these investigations. We will not take any actions to prevent, hinder or delay the discovery and full investigation of these matters.

We will cooperate fully and promptly with all government investigations including possible civil and criminal violations of law. It is important, however, to protect the legal rights of South Lake Hospital and its team members during this process. To accomplish these objectives, any governmental inquiries or requests for information, documents or interviews should be promptly referred to the appropriate party as described in our policies and procedures. Any questions about investigations or requests for information will be referred to Corporate Integrity.

Criminal Conduct

We do not tolerate or condone criminal activity. If we become aware of possible criminal activity, we are required to report the circumstances using our *Three-Step Communication Process* (referenced on page 7). Any team member found to be involved in criminal conduct will be disciplined in accordance with corporate policy. Disciplinary action will be appropriate for the offense committed, up to and including discharge.

We will refer all instances of suspected criminal conduct to the appropriate governmental authorities for possible criminal prosecution.

Emergency Medical Treatment and Active Labor Act

We comply with the Emergency Medical Treatment and Active Labor Act (EMTALA) in providing emergency medical treatment to patients regardless of their ability to pay. Anyone with an emergency condition or requesting emergency services is given an appropriate medical screening examination and treatment based on medical necessity.

Financial and demographic information is obtained only after the patient's medical needs are met. Ability to pay is not a factor in determining whether to admit or discharge patients.

Patients will only be transferred to other facilities when their medical needs cannot be met by South Lake Hospital and appropriate care is known to be available at another facility. Patients may only be transferred after they have been stabilized and are formally accepted by the alternate facility. EMTALA procedures must be followed.

WORKPLACE CONDUCT AND INTEGRITY

South Lake Hospital is dedicated to providing high-quality, skilled care in a courteous, professional and compliant environment. We are committed to fostering an atmosphere that promotes integrity, honesty and mutual respect.

Open and Honest Communication

We encourage and foster a workplace where we are free to discuss any concerns we may have. An effective, open communication process is key in securing compliance with federal and state laws, regulations, rules, corporate policy and our Code of Conduct as well as maintaining the exceptional quality of the services we provide.

Dignity and Respect in the Workplace

We must conduct ourselves in a professional manner. We treat everyone with kindness, courtesy, dignity and respect at all times. We are responsible for respecting the rights of those we interact with and for reporting questionable behavior. If we become aware of any situation that could jeopardize the integrity of South Lake Hospital, it is our responsibility to report it. If we are aware of or suspect a possible violation we are to report it using our *Three-Step Communication Process* (referenced on page 7).

No Retaliation

Corporate policy and our Code of Conduct are available to assist us in defining expectations and standards of behavior. All good faith reports will be resolved in a discrete and professional manner. South Lake Hospital will not tolerate any type of retaliation from anyone. If we ever feel that we have suffered retaliation as a result of reporting concerns in good faith, we are to contact Human Resources or make use of our *Three-Step Communication Process* (referenced on page 7).

in-teg-ri-ty
[in-teg-ri-tee] n

*Adherence to moral and
ethical principles; soundness
of moral character; honesty*

CONFIDENTIALITY

South Lake Hospital maintains the privacy and confidentiality of all sensitive information. We are committed to following all laws, regulations, rules, corporate policy and our Code of Conduct.

Privacy of Patient Information

To prevent unauthorized disclosures, we do not share confidential patient information with anyone who does not have a legal need to know. We will safeguard patient information from physical harm and protect the privacy of patient health records according to federal, state and accreditation requirements.

To avoid disclosures of protected health information to unauthorized individuals, we must safeguard all communications. Examples of communications include faxes, emails and conversations on the telephone or in public areas.

Information Security

Information security refers to safeguarding confidential and sensitive information from damage, loss, unauthorized access or unauthorized modification. All types of information, including but not limited to patient data, payroll records, personnel files, passwords and access codes will be maintained and safeguarded to prevent unauthorized disclosures.

We maintain and monitor security systems, data back-up systems and storage capabilities in order to safely maintain the confidentiality, integrity and availability of information in accordance with laws, regulations, rules, corporate policy and our Code of Conduct.

South Lake Hospital licensed software may be installed and operated on organizational equipment. Only Information Services will approve, purchase and install software. We will not download any software from the internet or install personally acquired software.

We must also remember that the use of South Lake Hospital's electronic communication resources is subject to review and monitoring at any time without notice. Electronic communication resources include devices and services such as computers, systems, internet, email, text messaging, pagers and cell phones. We should have no expectation of privacy when using these resources.

Proprietary Information

We safeguard information technology and proprietary electronic information and protect it from improper use and access. We guard our assets and the assets of others entrusted to South Lake Hospital, including physical and intellectual property, and we protect sensitive information against loss, theft or misuse.

We use South Lake Hospital property appropriately and we take measures to prevent any unexpected loss of equipment, supplies, materials or services. We also adhere to established policies regarding approval for disposing South Lake Hospital assets and data.

Personnel Actions and Decisions

Team member salary, benefits, disciplinary records and other personal information are maintained in a confidential manner. Team members must exercise care and reasonable judgment to protect unnecessary disclosures of such information.

Media Relations

All requests from the media for interviews with team members, medical staff members or employees of contracted services are coordinated through Media Relations. This protects patient and team member rights to security, personal privacy and confidentiality.

All inquiries from the news media, including requests for information about a patient's condition, must be referred to Community Relations Department. If not available, there is an on-call Administrative representative available 24 hours a day, seven days a week.

RECORD KEEPING

Documentation

South Lake Hospital produces a large number of records and documents. Examples include medical records, financial records, emails, presentations, x-rays and laboratory results. The following rules apply to all types of documentation:

- We do not falsify facts or make false records.
- We do not sign someone else's name on any document.
- We do not document records as someone else.
- We only create records that are necessary and required.
- We only give records and information to people who have a legal need to know.
- We always preserve patient and team member security, confidentiality and privacy.

Record Retention and Destruction

South Lake Hospital has established policies and procedures regarding the proper storage and destruction of records. All records are kept for the legally required timeframe. After the time requirement has been met, it is important to destroy the records in a timely and appropriate manner in accordance with corporate policy.

Records to be disposed of that contain patient, financial or other confidential information must be discarded in a designated shred bin. Under no circumstances should these documents be thrown in the trash.

Search Warrants, Subpoenas, and Government Inspection or Investigation

South Lake Hospital has established policies and procedures regarding search warrants, subpoenas, government inspections and investigations. If we are ever approached regarding such matters, we are to contact Risk Management immediately. Risk Management will advise us on the proper procedures to be followed.

CONFLICTS OF INTEREST

South Lake Hospital corporate policy sets forth standards of conduct expected by South Lake Hospital with regards to conflicts of interest. We will act in the best interest of South Lake Hospital and carry out our duties with total objectivity. In our dealings with and on behalf of the organization, we are held to a strict rule of honest and fair dealing and will conduct ourselves in accordance with laws, regulations, rules, corporate policy, our Code of Conduct and employment agreements when applicable. We are prohibited from using our positions, or knowledge gained as a result, in any manner that creates a conflict between the interest of South Lake Hospital and ourselves.

A conflict of interest can exist in any situation in which our personal stake in a matter may influence or give the appearance of influencing our actions on behalf of South Lake Hospital. All Board or committee members, officers, management team members, medical staff members with administrative duties and all persons in a position to exercise substantial influence over the affairs of the corporation have a duty to disclose any possible, perceived or actual conflict of interest utilizing the conflict of interest disclosure process outlined in corporate policy. All potential conflicts (including those of family members) will be reviewed by the chief compliance officer. Conflicts of interest may arise at any time and must be disclosed immediately.

Competitors and Vendors

We will not be employed by, act as a consultant to or have an independent business relationship with any of South Lake Hospital's vendors or third-party payors unless prior approval is obtained from the chief compliance officer. Further, management and executive team members will not be employed by, act as a consultant to, or have an independent business relationship with any entity that provides goods or services that are substantially similar to those South Lake Hospital provides or is considering making available. This will not prevent executives from participating on the board of non-South Lake Hospital entities or from making public appearances as representatives of South Lake Hospital or as community leaders.

We will not invest in a vendor, payor, provider, supplier or competitor (other than mutual funds, through the holding of less than 0.5 percent of the outstanding shares of publicly traded securities or through an ownership interest of 2.5 percent or less of private entities) unless we first obtain written permission from the Executive Cabinet through the chief compliance officer.

More detail regarding conflicts of interest and the conflict of interest disclosure process can be found in corporate policy or by contacting Corporate Integrity.

BUSINESS RELATIONSHIPS

Gifts and Business Courtesies

All gifts or business courtesies (including business meals and entertainment) offered, received or exchanged with non-South Lake Hospital entities and persons must meet the requirements as established in corporate policy. Whenever we are unclear whether a specific offer or exchange is prohibited by policy, management and Corporate Integrity must be contacted for further guidance.

Gifts or business courtesies must never be used for the purpose of inducing, securing or rewarding the referral of a patient or the ordering of a service or supply. Gifts or business courtesies must never be used or allowed to improperly influence relationships, business outcomes or decision-making, or promote the appearance thereof. We are required to make objective, unbiased decisions that are in the best interest of our patients and the organization.

Unless an exception is granted per policy, we will not solicit or receive funds from non-South Lake Hospital entities or persons, including physicians and other referral sources, for our parties or functions such as holiday parties, employee recognition events, retirement or birthday celebrations, staff meetings and similar events. This does not apply to official South Lake Hospital educational programs or to events coordinated by the South Lake Hospital Development Department.

We do not accept gifts or business courtesies at any time during active negotiations or throughout the Request for Information/Request for Proposal (RFI/RFP) process with a potential vendor. Further, we will not accept gifts or business courtesies from our patients, patients' families or representatives.

Vendor and Product Selection

All business dealings on behalf of South Lake Hospital must be the result of usual and proper business considerations. Anyone working on our behalf must agree to abide by our standards and expectations. We select vendors using objective measures. All vendors who meet these standards are afforded an equal opportunity to present their products and services. We do not give or receive any form of payment, kickback or bribe to induce the referral or the purchase of any service. We select the product or service that best meets the needs of our patients and South Lake Hospital.

Business Inducements

We must not attempt to gain any advantage or encourage favors with improper payments, business courtesies or other inducements. We do not offer any improper inducements or favors to patients, providers or others to encourage the referral of patients to our facilities or to use a particular product or service. We will not solicit gifts or favors in exchange for influence or assistance in a transaction when conducting business with an individual or entity, including vendors.

Contracting and Business Relations

All contract negotiations, contracts and business relations must be consistent with the laws, regulations, rules, corporate policy and our Code of Conduct. Contracts must be in writing and signed by the corporate director, Materials Management, the responsible vice president or above. Contracts identified with potential conflicts of interest will be reviewed by the chief compliance officer.

Information about South Lake Hospital business activities including strategy, prices, costs, finances and similar matters are private and confidential. South Lake Hospital will not enter into any agreement that is a refusal to deal with another organization or could impair the business of South Lake Hospital or the other organization. Further, we will not conduct business with an entity that is currently excluded, suspended, debarred, or otherwise ineligible to participate in federal healthcare programs.

Workshops, Seminars and Training Sessions

South Lake Hospital encourages us to pursue career development through attendance at approved job-related seminars, conferences or workshops. Our attendance at these events will be determined by our department manager based on mutual benefit to us and South Lake Hospital.

The approval of management is required before accepting a vendor's offer to conduct or fund training sessions or product knowledge classes. Management's approval is also required before a vendor can fund our attendance at a third-party conference, seminar, workshop or other similar function. In determining whether to accept such an offer, the vice president responsible for our area will be consulted for guidance. If approved, registration fees are generally the only expense allowed to be covered by vendors. However, we may accept reasonable meals or attend social events held as part of the event offered to all attendees.

PROTECTION OF ASSETS

Financial Reporting

Financial statements aid in business management and are important in meeting obligations to patients, team members, suppliers and creditors. Accurate financial statements are essential in complying with tax and financial reporting requirements. We utilize generally accepted accounting principles to maintain and report accurate financial statements. We maintain a financial reporting system that provides timely, accurate and comprehensive disclosure concerning our financial and business condition. We do not create false or misleading entries in any financial record. We record all transactions, payments and receipts timely, accurately and in a consistent manner.

We promptly report concerns involving accounting, financial reporting, use of assets, internal controls or auditing matters to the chief compliance officer. It is strictly prohibited to interfere with any type of federal, state or local investigation or official proceeding. It is inappropriate to alter, destroy or conceal any records, documents or other objects.

We cannot take any action to fraudulently influence, coerce, manipulate, mislead or obstruct any auditor engaged in an audit for the purpose of misrepresenting the organization's financial condition.

Use of Company Assets

Company assets include, but are not limited to, equipment, inventory, supplies, funds, software, team member time, business strategies and data (financial, patient or otherwise). Company assets will be used for purposes directly related to South Lake Hospital business. Any other use must be approved by management in advance.

Company assets will not be used for personal gain or benefit and will be handled with the utmost care and respect. We are responsible for reporting and guarding against loss, misuse, waste and/or abuse of company assets.

Travel and Entertainment

South Lake Hospital funds travel and entertainment expenses in accordance with corporate policy. Travel and entertainment expenses will only be incurred to support the interests of the organization and will be consistent with job responsibility. We will exercise reasonable judgment when utilizing company resources to fund travel and entertainment expenses. Personal expenses incurred during travel and entertainment will not be reimbursed by South Lake Hospital.

Internal Control

Internal control is a process designed to provide reasonable assurance regarding the achievement of objectives.

South Lake Hospital has implemented a system of internal controls to ensure effective and efficient operations, reliable financial reporting and compliance with laws, regulations, rules, corporate policy and our Code of Conduct. We make no attempt to circumvent the system of internal controls. We are responsible for reporting known control violations or weaknesses using our *Three-Step Communication Process*. We promptly report information involving deficiencies in the design or operation of internal controls that could adversely impact our ability to record, process and report financial data.

The effectiveness of the internal control system is reviewed regularly by Finance and Internal Audit. Internal Audit is responsible for testing internal controls and monitoring compliance with laws, regulations, rules, corporate policy and our Code of Conduct across the organization. Full cooperation will be provided to any internal or external auditor. No attempts will be made to fraudulently influence, coerce, manipulate, mislead or obstruct an auditor.

in-duce-ment
[in-dooos-muh-nt] n

*Something that helps bring about
an action or a desired result; an
incentive*

ACKNOWLEDGEMENT OF RECEIPT

ACKNOWLEDGEMENT OF RECEIPT, REVIEW AND UNDERSTANDING OF THE SOUTH LAKE HOSPITAL CODE OF CONDUCT

By providing my signature on this form, I acknowledge that I have received, reviewed and understand South Lake Hospital's Code of Conduct. I agree to comply with laws, regulations, rules, corporate policy and our Code of Conduct as part of my employment or association with South Lake Hospital.

I acknowledge that our Code of Conduct is only a statement of principles for individual and business conduct and does not constitute an employment contract. I will promptly report any potential violation to my supervisor or to the chief compliance officer.

I understand that any violation of laws, regulations, rules, corporate policy and our Code of Conduct is grounds for disciplinary action, up to and including discharge from employment.

SIGNATURE _____ TITLE _____

PRINTED NAME _____ DATE _____

EMPLOYEE ID _____

