

CODE OF ETHICAL CONDUCT



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Dear Colleagues,

As you know, Children’s Health has a strong commitment to achieving our mission to make life better for children while in full compliance of all applicable laws, regulations and guidelines. Every team member, medical/dental staff member, vendor, contractor and volunteer associated with our system is expected to conduct themselves in a responsible, ethical and legal manner at all times.

Our Code of Ethical Conduct, available here in printed version and on ChildNet 2.0, is designed to help team members navigate and understand the complex rules we’re required to follow in the highly regulated health care industry. It outlines standards of ethical conduct that align with our values to follow at all times as you serve patients, their families and other organizational stakeholders. Put simply, being part of the Children’s Health team means agreeing to live and work under these critical values.

It’s important to remember that you have a responsibility to report actions that are not in compliance with the Children’s Health Code of Ethical Conduct. The Code provides details on reporting compliance issues, including hotline numbers, and describes a four-step process for making a report in accordance with our values — selfless service, passionate advocacy, commitment to excellence and unwavering integrity.

Please take time to read the Code carefully so that you understand our organization’s expectations for ethical behavior. It’s one of many resources available to team members as we strive to do the right thing in all that we do to protect Children’s Health, our team members, our patients and their families. To that end, we want to address any questions or concerns you have. Please discuss any questions or concerns with your supervisor, a Human Resources representative or a staff member or the Compliance Officer.

The Board of Directors and Senior Leadership Team join me in pledging to uphold the Code of Ethical Conduct, support our Compliance Program here at Children’s Health, and continue to foster an environment of integrity and transparency. Thank you for your commitment to making Children’s Health a place where every team member feels heard and respected, and an organization we are proud to call ours.

Sincerely,



Christopher J. Durovich
President and Chief Executive Officer
Children’s Health

An Introduction to the Code

Children's Health System of Texas ("Children's Health") is committed to serving our patients, medical/dental staff, applicable third parties, employees and the community in an ethical, and responsible manner, as well as a manner consistent with the Children's Health Code of Ethical Conduct.

Furthermore, Children's Health is committed to providing all services in full compliance with all applicable laws, regulations and guidelines, as well as our own policies and procedures. We are particularly sensitive to those requirements applicable to federal and state health care programs and the submission of accurate claims for services.

The Code of Ethical Conduct ("the Code"), as well as statutes, regulations, guidelines, policies and procedures at Children's Health, must apply to and be observed by all Staff (defined as employees, contract labor, medical/dental staff, members of the Board of Directors, anyone participating in training and anyone else engaged in our work environment or acting on behalf of Children's Health). No one, regardless of position, will be allowed to compromise adherence to the Code, statutes, regulations, business standards, policies or procedures.

Failure to comply with the Code, statutes, regulations, guidance, policies and procedures can result in serious damage to our standing in the community,

regulatory action against the Staff and disciplinary action up to and including immediate termination or revocation of clinical privileges.

If there are any questions about the Code or any policies or practices at Children's Health, you should raise the questions with a supervisor, Department Director or the Compliance Office.

The Code of Ethical Conduct adopted by Children's Health is intended to help us meet our ethical and compliance goals in a highly regulated business environment. The Code is designed to provide general guidance, and does not replace the policies and procedures of the hospital. If there is no specific policy, the Code standard becomes the policy. If a policy and a standard of conduct conflict, the standard becomes the policy. In seeking additional guidance and direction regarding the Code, Staff are encouraged to refer to the hospital's pertinent Policies and Procedures.

In addition, the Code supports the values Children's Health stands for: selfless service, passionate advocacy, commitment to excellence and unwavering integrity.

The Code is a "living document," which will be updated periodically in response to changing conditions. Thus, Children's Health reserves the right to modify or terminate any or all of these provisions at any time.

Compliance at Children's Health is made up of the following elements:

- **Standards and Procedures** – This Code of Ethical Conduct, in addition to Children's Health policies and procedures, was created to ensure that all Staff are in compliance with federal, state and local laws, rules and regulations.
- **Program Oversight** – Children's Health has appointed a Chief Compliance Officer to oversee the strategic direction, implementation and operation of the Compliance Program. The Chief Compliance Officer reports to the Audit Committee of Children's Health System of Texas. In addition, Children's Health has established a Compliance Committee, which is a standing hospital committee to assist in the implementation and oversight of the Compliance Program.
- **Staff Training and Education** – Children's Health will provide periodic training to all Staff on various compliance issues.
- **Communication** – Children's Health has set up a comprehensive four-step communication and reporting process.
- **Enforcement and Discipline** – All Children's Health Staff are required to adhere to the Compliance Program, which includes all policies and procedures and the Code of Ethical Conduct. If any Staff violates any of these items, they may be disciplined up to and including termination or revocation of clinical privileges.
- **Monitoring and Auditing** – Children's Health has established a program to continuously monitor and audit compliance with federal, state and local laws, rules and regulations, and to report any audit results as necessary to senior leadership.
- **Response and Prevention** – All reports or concerns of suspected non-compliance will be investigated to determine whether a material violation of law or the requirements of the Compliance Program has occurred, and if so, steps will be taken to correct the problem.

If Children's Health finds credible evidence of alleged misconduct, and after a reasonable inquiry there is reason to believe that the alleged misconduct may violate criminal, civil or administrative law, Children's Health will immediately conduct an investigation to validate the concern and determine what further action may be required, including reporting the matter to the appropriate government authority.

THE CHILDREN'S WAY



SELFLESS SERVICE Serving others with an enthusiastic spirit

- Transcends the ordinary and exceeds expectations
- Engages with all in a respectful, non-judgmental manner
- Treats others with kindness, humility and dedication
- Recognizes and celebrates the contributions of others



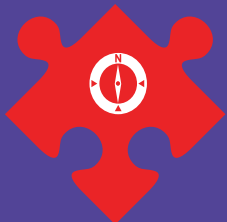
PASSIONATE ADVOCACY Standing as champions for children

- Acts courageously on behalf of children
- Educates the community about the needs of children
- Understands and honors different perspectives and expectations



COMMITMENT TO EXCELLENCE Driving innovation and quality care to maximize outcomes

- Collaborates to achieve exceptional quality, safety and continuous improvement
- Innovates to transform possibilities into realities
- Advances knowledge, applies evidence-based best practices and takes ownership of professional development
- Continuously seeks opportunities to be better stewards of the organization's resources



UNWAVERING INTEGRITY Creating an environment of trust through honesty, transparency and authenticity

- Do the right thing even when no one is looking and regardless of the personal impact
- Willingly shares information with others
- Speaks up with ideas and concerns
- Holds oneself and others accountable for decisions behaviors, actions and results



SELFLESS SERVICE

Serving others with an enthusiastic spirit

General Guidelines

We will exercise good faith and fair dealings in all transactions that involve our responsibilities to Children's Health.

We will, as long as we have a relationship with Children's Health, conduct business to the best of our ability for the benefit and interests of Children's Health.

We will report any actual or perceived conflicts of interest to those who can properly assess the conflict and determine how to proceed.

We will not use our position with Children's Health for personal gain.

We will maintain unbiased relationships with actual and potential vendors and contractors.

We will complete a Conflict of Interest form annually to report all outside employment in which we are involved.

We will not use Children's Health resources, patient information or equipment to conduct outside employment. We will not engage in outside employment while on Children's Health time.

Family Members, Friends or Business Associates

We will avoid situations where the Staff or a related party (e.g., family member, friend or business associate) receives a benefit from any decision or action taken by the Staff member.

Financial Interests

We will report any direct or indirect financial interest (except minor interest in publicly traded securities) in any business that supplies Children's Health with a substantial number of goods or services or where sales to Children's Health constitute a substantial part of the supplying company's business.

We will not use information that comes to us in the course of our work for personal investment or gain, nor will we provide that type of information to members of our family or others.

We, as Staff or agents of Children's Health, will not contribute financial or other support to political candidates, organizations or parties as part of our official duties or solicit such activity in the workplace.

This limitation does not preclude any agent or Staff member from exercising their personal political support outside of Children's Health. Children's Health policies prohibit solicitations of any kind on our premises.



PASSIONATE ADVOCACY

Standing as champions for children

Privacy

We will honor the privacy of patients and not reveal or discuss patient-related information except with health care personnel involved in their care, payers and others authorized by the parent or his/her authorized representative to review patient information.

Confidentiality of Information

We will maintain the confidentiality of quality improvement, peer review and health care services review information in accordance with laws and regulations.

We will protect confidential corporate information and not use or reveal such information except in the proper performance of duties.

Protection of Assets

We will maintain inventory (as appropriate/required) and keep all supplies secure.

We will adequately safeguard, use and care for all property and equipment entrusted to us including mobile devices such as cellphones, laptops and pagers.

We will report the loss or theft of all property or equipment entrusted to us in a timely manner to our supervisor. We will dispose of all surplus or obsolete property and equipment according to established policies and procedures.

Security of Information

We will maintain all medical and business records in accordance with laws and our record retention policies.

We will not alter or falsify information on any record or document.

We will release patient records in accordance with the hospital's policies.

We will prohibit the making of unauthorized copies of computer software or the use of personal software on computer equipment belonging to Children's Health.

We will not knowingly communicate or transfer any information or documents to any unauthorized persons.

We will not use computers, email, facsimile machines or any other technology to communicate information to unauthorized people. Further, the use of technology to send offensive, discriminatory or harassing messages is prohibited.

We will use computers, the email system, the Internet, the Children's Health intranet and other technology only for work-related purposes.

We understand all information sent, received or stored in the email system is the property of Children's Health.

Research

We will conduct all research activities to the highest ethical standards and in compliance with all applicable federal, state and local laws and regulations. This includes the fair and honest presentation and analysis of data, the proper acknowledgment of all contributors, and compliance with all federal and state laws or regulations, as well as all Children's Health policies related to the protection of all human subjects and/or animals.



COMMITMENT TO EXCELLENCE

Driving innovation and quality care to
maximize outcomes

Duties and Responsibilities

We have a duty at every level of the organization to maintain our integrity, ethics and the quality of our job performance.

We have a duty and responsibility to promptly address any deficiency or error by reporting it to a supervisor, department director, Compliance Department, Chief Compliance Officer or Children's Compliance Hotline who can assess the problem, take appropriate action (through the event reporting or grievance process) and follow the problem to resolution.

We have a duty and responsibility to employ, grant medical/dental staff privileges to or contract with only fully licensed and properly credentialed providers with the expertise and experience to care for our patients.

Patient Rights

We will affirm and uphold the rights of our patients and their parents, guardians or authorized representatives. This includes Children's Health obligations under the Emergency Medical Treatment and Labor Act (EMTALA) to ensure public access to emergency services regardless of ability to pay.

Care Delivery

We will encourage all Staff and applicable third parties to continually evaluate existing methods of delivering services in order to discover more effective ways of serving our patients.

We will periodically assess and evaluate the goals and objectives established for medical care and related services provided in order to deliver services according to current standards of practice and the most current knowledge in the field.

We will require that admissions, transfers and discharges are medically appropriate and in accordance with all legal requirements.

Health and Safety

We shall comply with all safety and health requirements whether established by management, federal, state or local laws or our accrediting organizations.

We will promptly report any accidents involving injury to a Staff member, applicable third party or visitor through the event reporting process.

We will take all reasonable precautions and follow all safety rules and regulations to maintain a safe environment for our patients, Staff, applicable third parties and visitors.

We will strive to provide an environment that is free from violence. Unauthorized weapons of any kind are strictly prohibited.

We are responsible for inspecting the work area under our control for potential health and safety risks, eliminating or reporting such risks to the safety officer (or designee), being familiar with health and safety procedures, and training ourselves in health and safety.

The manufacture, sale, possession, distribution or use or misuse of drugs or alcohol at work will not be permitted.



Reporting to work while under the influence of drugs or alcohol will not be tolerated. We will safely store, secure and count all drugs and pharmaceuticals and medical supplies. Missing or diverted drugs will be promptly reported through the event reporting process.

Hazardous Materials & Waste

We will follow all laws and regulations regarding the disposal of medical waste and hazardous material.

We will promptly handle all spills or accidents involving medical waste or hazardous materials and take action immediately to help prevent further harm/damage.

We will provide training in safe work practices to eliminate hazards and correct unsafe behavior to protect the health and safety of Staff and others.

Environmental Laws

We will comply with all applicable environmental laws.

General

We will treat everyone with fairness, dignity and respect.

We will strive to provide an environment for all individuals free from harassment and intimidation. We will not tolerate verbal or physical harassment, including sexual harassment.

We will continually strive to build confidence and professionalism in every individual.

We will work to maintain open lines of communication so that the views of each individual may be considered and their opinions given proper respect.

We will show respect and consideration for one another, regardless of status or position.

We shall maintain personal information confidentially.

We shall apply the Code of Conduct and policies and procedures equally to all, regardless of their position at Children's Health.

We will encourage each individual to continuously evaluate existing methods of delivering services in order to discover more effective ways of allocating resources for patient care and support services.

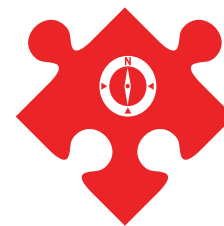
When caring for patients, we will maintain professional boundaries, treat all families equally and show all families care and respect.

We will require that all Staff and applicable third parties who are providers of patient services are properly licensed and trained prior to providing services.

We will provide reasonable training opportunities to assist the Staff in building and maintaining professional skills.

We will require that our Staff are hired, trained, promoted and compensated on the basis of personal competence and potential for advancement without regard for race, color, sex, national origin, age or disability, as well as any other classifications as required by law.

We shall review and evaluate each Staff member's performance periodically in an objective, consistent and uniform manner.



UNWAVERING INTEGRITY

Creating an environment of trust through honesty, transparency and authenticity

In Accordance with the Law

When any possible violation of law, regulation or policy has occurred, we will promptly report it in accordance with the "Four-Step Communication and Reporting Process."

All compliance issues or reported concerns will be acted upon in a fair and truthful manner. Any retaliation or other negative action against a Staff member who in good faith reports a suspected violation will not be tolerated.

- We will require that all Staff and applicable third parties provide internal and outside auditors with any and all information required for the performance of their responsibilities.
- We will bill payers and patients according to all applicable laws, regulations and policies.
- We shall not hire or contract with individuals who have been sanctioned by the OIG or barred from federal or state procurement programs.
- We will require that all drugs and other controlled substances used in treatment are maintained, dispensed and transported in compliance with all applicable laws and regulations. We will comply with all requirements of the Emergency Medical Treatment and Active Labor Act (EMTALA).
- We will adhere at all times to Children's Health policies regarding the acceptance of gifts and/or courtesies. We will not provide kickbacks, bribes, rebates or anything else of value in order to influence the referrals of patients or business transactions.

- We will comply with all anti-corruption laws that apply to Children's Health operations, including the Foreign Corrupt Practices Act (FCPA). When dealing with Foreign Officials, you are prohibited from giving, offering or authorizing the provision of anything of value to, a Foreign Official, in order to obtain or retain business.

Agreements

We will require that all agreements with individuals or organizations that may be potential referral sources are in writing, approved by appropriate management and reviewed by the Legal Department.

Confidentiality

We will maintain complete and accurate patient medical records and keep all such information confidential.

We will comply at all times with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and Children's Health policies addressing the HIPAA regulations related to the privacy and security of patient protected health information.

We will require that confidential patient information is accessible only by health care personnel involved in the patient's care and others authorized to review patient information.

Marketing

We will represent Children's Health fairly and honestly, emphasizing the scope of our services, our capabilities, values and outcomes achieved from our clinical and research activities. We will not engage in any deceptive marketing practices.



Ethics

We will strive to provide patient care and enter into any business dealings in an ethical manner, not only in conjunction with this Code, but also with any and all professional organizations' Codes of Ethical Conduct, as appropriate.

Responsibilities of Our Financial Officers

Financial officers are responsible for certifying the accuracy of financial statements that bear their signatures. By their signature, they attest to the following:

- They have reviewed the report.
- Based upon the officer's knowledge, the report does not contain any untrue statement of a material fact, nor does the report omit material facts necessary to ensure the report is not misleading.
- Based upon the officer's knowledge, the report fairly represents financial statements and other financial information presented the report.

Our financial officers are responsible for establishing, maintaining, testing and reporting on the effectiveness of internal controls within their assigned areas.

Our financial officers are responsible for disclosing to auditors and the Board significant deficiencies in internal controls and fraud involving management or Staff with significant internal control responsibilities.

Billing

We will charge and bill only for services that are actually provided and documented in the patient's medical records.

We will not knowingly submit for payment or reimbursement a claim we know to be false, fraudulent or fictitious.

We will conduct general collection/credit procedures according to the Fair Debt Collection Practices Act.

We will respond to all questions and complaints related to a patient's bill in a direct and honest manner. We require reporting of any suspected charging or billing irregularity to the Compliance Office.

We will regularly review our records and promptly refund any over payments. We will not routinely waive insurance co-payments or deductibles.

Coding

We will assign diagnostic and procedural codes that accurately reflect the services that were provided. Upcoding, unbundling or any other means of artificially enhancing reimbursement is unlawful and strictly prohibited. We shall periodically review coding practices and policies, including software edits, to facilitate compliance with all applicable federal, state and private payer health care program requirements.

Claims and Record Keeping

We will require that all claims for services submitted to any insurance program or payer, Medicare, Medicaid or other federally funded health care programs are accurate and correctly identify the services ordered and performed.

We will maintain all records in a secure location for the period of time required by law. The premature destruction or alteration of any document in response to, or in anticipation of, a request for those documents by any government agency or court is strictly prohibited.

Cost Reports

We will comply with all laws and regulations related to government cost reports. All questions or issues related to cost reports will be promptly reported to the Chief Financial Officer or the Compliance Officer.

Reporting Compliance Issues

Four-Step Communication and Reporting Process

If you have a question or concern about an activity being unethical, illegal or wrong, use the following process to answer questions and report concerns. Throughout this process, your identity will be kept confidential as much as possible

1. Talk to the department supervisor. He or she is most familiar with the laws, regulations and policies that relate to departmental activities.
2. If you are not comfortable contacting the department supervisor, or if you don't receive an adequate response from him/her, talk to the department supervisor's manager or the department director. You may also choose to speak with someone from Human Resources.
3. If you have followed either step 1 or step 2 and still have questions, contact the Compliance Office at **214-456-1070**.
4. If for any reason you feel you cannot follow the above steps, or don't want to give your name, call the Children's Health Compliance Hotline at **1-866-769-0998**. The Children's Health Compliance Office will review and address all reports to the Hotline.

Quality of Care Concerns

In addition to the four-step communication and reporting process, any individual who provides care, treatment and services is free to raise concerns to The Joint Commission and/or Texas Department of Health and Human Services when Children's Health has not adequately prevented or corrected problems that can have or have had a serious adverse impact on patients, without fear of disciplinary or punitive action. You are encouraged to report and escalate as necessary any concerns about safety or quality of care provided by the hospitals, within Children's Health. The Joint Commission's direct phone number is **800-994-6610**.

Compliance Hotline 1-866-769-0998

We recognize that there are times when questions or problems cannot be addressed through the normal communication and reporting process. When this happens, you should use the Compliance Hotline. We have hired an outside company to take Hotline calls, so callers who do not wish to give their names can remain anonymous. The operators of the Hotline are trained to assist you in reporting concerns.

The Children's Health Compliance Hotline may be reached 24 hours a day, seven days a week at **1-866-769-0998**.

Calls to the Hotline will not be traced or recorded. You will remain anonymous, unless you choose to identify yourself. If you do give your name, your identity will be protected to the extent allowed by law.

All calls made to the Hotline will be reviewed by the Compliance Office and will be responded to fairly and in a timely manner. All claims will be carefully investigated before any action is taken. The rights of all Staff, including anyone who is the subject of a Hotline call, will be respected and protected to the extent allowed by law. Actions taken will not be made public.

Helpful Numbers to Know

Compliance Hotline

1-866-769-0998

Privacy Office

1-214-456-4444

Chief Compliance Officer, Vice President Accreditation and Regulatory Affairs

214-456-2020

Senior Director, Compliance

214-456-1070

Human Resources On-Call Consultant

214-717-9648

The Joint Commission

800-994-6610

Non-Retaliation Policy

No disciplinary action or retaliation will be taken against you when you report a perceived issue, problem or concern or violation “in good faith.” The “in good faith” requirement means a person actually believes or perceives to be true the information reported. We value and respect the dignity of the individual, therefore, you have the right to be treated fairly and with respect — and Children’s Health will require that you are treated that way.

Acknowledgment

I have received and I will read the Code of Ethical Conduct from Children’s Health System of Texas. I understand that the Code of Ethical Conduct applies to my employment/affiliation and that following all laws, regulations, policies and the Code of Ethical Conduct is a condition of my employment and/or affiliation with Children’s Health System of Texas. I will seek advice from my supervisor, a Human Resources representative, the Compliance Office, or I will call the Compliance Hotline with any compliance questions or issues.

My signature reflects that I have received a copy of the Code of Ethical Conduct. I realize that it is my responsibility to read and comply with procedures and policies set forth in the Code of Ethical Conduct.

I understand this document is available online on the Children’s Health Compliance page on ChildNet 2.0

Signature _____

Printed Name _____ Employee # _____

Position _____ Division/Department _____

Date _____





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