

STANDARDS OF EXCELLENCE /CODE OF ETHICS

Introduction

The Code of Conduct sets forth standards of conduct that all personnel employed by or associated with “The Corporation” are expected to follow. The Handbook is designed to be a guide and resource to help all personnel ensure that their behavior is in compliance with all laws and regulations that affect all of their business dealings. The Handbook also describes the procedures that will be followed in enforcing these standards and ensuring that The Corporation stays in compliance with all applicable laws.

The standards of conduct set forth in this Handbook often exceed those required by law. This is consistent with our commitment to uphold the highest standards of ethical conduct. The standards of conduct, however, cannot cover every situation that our personnel might face. If you are unsure of what a proper course of conduct might be in a specific situation, or believe that the standards of conduct set forth in this Handbook may have been violated, then you are urged to contact :

Corporate Compliance Officer

Margaret M. Johnson, Esq.
Senior Vice President & General Counsel
MediSys Health Network, Inc.
(718) 240-6163

Part I. Mission and Values

The Corporation is committed to being the focus of a healthy community, stressing the organization’s values of caring and respect for everyone.

The Corporation’s vision:

To be the premier integrated delivery system by providing the highest quality, most effective service which is accessible and sensitive to all.

The Corporation is committed not only to providing patients with high quality and caring medical services, but also to providing those services pursuant to the highest ethical, business, and legal standards. These high standards must apply to our interactions with everyone with whom we deal. This includes our patients, the community, other healthcare providers, companies with whom we do business, government entities to whom we report, and the public and private entities from whom reimbursement for services is sought and received. In this regard, all personnel must not only act in compliance with all applicable legal rules and regulations, but also strive to avoid even the appearance of impropriety. While the legal rules are very important, we must hold ourselves up to even higher ethical standards.

In short, we do not and will not tolerate any form of unlawful or unethical behavior by anyone associated with The Corporation. We expect and require all personnel to be law-abiding, honest, trustworthy, and fair in all of their business dealings. To ensure that these expectations are met, the compliance program has become an integral part of our corporate mission and business operations.

First and foremost, it is essential that we ensure that we are operating pursuant to the highest ethical standards and in conformity with all applicable legal rules. This is not only **the right thing to do**, but is also important for our continuing reputation for honesty and integrity in all of our business and medical

dealings with others. That reputation has been achieved and maintained through the integrity of our officers and employees, and it is one of our greatest assets: our success depends in large measure on the trust patients, government regulators, and the public place in us. A compliance program will help ensure that we are living up to this reputation and continue to deserve that trust.

The compliance program must be effective and must be a real part of the institution's culture, mission, and values. As a result, the institution's program must demonstrate that it is both committed to, and actually exercises, due diligence in seeking to prevent and detect violations of law. To be considered effective, the Federal Sentencing Guidelines require that: (i) the program must establish clear standards; (ii) the program must be administered by a designated Compliance Officer; (iii) all positions involving significant discretionary decision making must be filled by honest employees; (iv) there must be periodic employee training; (v) there must be continuous monitoring of the institution's business systems; (vi) the program must provide for an enforcement mechanism to deal with violations of the established standards; and (vii) the institutions must respond effectively to such violations.

Because of the importance of the compliance program, we require that each employee cooperate fully. The compliance program will work effectively only if everyone works together to ensure its success, understands what is required under the law and our own Code of Conduct, and works to ensure that those standards are being followed in all of our business dealings. Failure to comply with the standards of conduct set forth in this Handbook can result in serious consequences both to the employee, such as being disciplined, being fired, or even being charged with a crime, and to The Corporation, such as criminal prosecution, substantial monetary fines and, of primary importance, the loss of our reputation for honesty and integrity.

Part II. Code of Conduct

This Code of Conduct sets forth the standards of conduct that all personnel are expected to follow. Everyone should adhere both to the spirit and the language of the Code, maintain a high level of integrity in their business conduct and avoid any conduct that could reasonably be expected to reflect adversely upon the integrity or reputation of The Corporation.

1. Generally

All personnel associated with The Corporation, including all physicians who have privileges to see patients at The Corporation, must avoid all illegal conduct, both in business and personal matters. No personnel will take any action that he or she believes is in violation of any statute, rule, or regulation. In addition, all personnel must strive to avoid even the appearance of impropriety, and must never act in a dishonest or misleading manner when dealing with others, both within and outside The Corporation.

2. Billing – Generally

The Corporation is committed to providing only those medical services to patients that are reasonable and necessary for the diagnosis and treatment of a patient's illness. Anything more amounts to medically unnecessary "over-utilization" and results in inflated billing to the patient, and to private and governmental third-party payers. While The Corporation is committed to providing our patients with the highest quality medical services available, we are also committed to providing, and billing, only those services that are truly appropriate to the patient's treatment and diagnosis.

Physicians, in particular, must comply not only with quality of care standards, but with standards of care for billing as well. In this regard, The Corporation's billing procedures must always be based on adequate documentation of the medical justification for the test conducted and for the bill submitted, and this medical documentation must comport with all applicable regulations. In addition, all documentation,

regardless of any legal requirements, must also be sufficient to satisfy The Corporation's own internal standards for quality assurance as to the services rendered.

Because The Corporation only bills for the actual services rendered, and only when those services were, in fact, medically necessary and appropriately documented, it is strict Hospital policy that no departments use any "defaults" to a particular billing code. While use of such defaults can sometimes result in underbilling, they can also result in overbilling on other occasions. Only those codes that correspond to the service rendered and documented will be used. If the documentation is insufficient to select a code, the service will not be billed until sufficient documentation is produced by the responsible medical personnel. It is also strict Corporation policy that no personnel associated with The Corporation engage in any form of upcoding or prohibited bundling or unbundling of any services. All federal and state regulations governing billing procedures will be meticulously followed, and all hospital personnel responsible for billing will be trained in the appropriate rules governing billing, coding, and documentation.

Finally, all billing must be accurate and truthful. No personnel should ever misrepresent charges to, or on behalf of, a patient or third-party payer. The Corporation bills only for those services that were actually and appropriately rendered. We will not tolerate false statements by any personnel to a government agency or other payer. Deliberate misstatements to government agencies or other payers will expose the personnel involved to criminal penalties and termination.

3. Billing – Rules as to Teaching Physicians

As a teaching hospital, The Hospital has an added concern in the area of billing: that all teaching physicians associated with The Hospital adhere to the federal regulations, as recently amended, governing when teaching physicians may bill on a fee schedule basis when they supervise medical services provided by interns, residents, or fellows. The federal government is particularly sensitive to billing practices in teaching hospitals, and the potential financial exposure to teaching hospitals is enormous. Individuals involved in improper billing practices may also face substantial criminal and civil liability.

All teaching physicians associated with The Hospital are thus required to be aware of, understand, and adhere to the federal regulations. These regulations are briefly summarized in the standards for Teaching Physician Billing. All teaching physicians have been made aware of the new regulations at several special training sessions conducted by The Hospital and have received a Compliance Manual: Teaching Physician Billing. If you have a question whether you may bill for a service as teaching physician, you are required to speak to the Compliance Officer, Margaret M. Johnson, Esq., Senior Vice President for Legal Affairs and General Counsel, as necessary.

4. General Business Practices

The Corporation will forego any business transaction or opportunity that can only be obtained by improper and illegal means, and will not make any unethical or illegal payments to anyone to induce the use of our services. In the course of The Corporation's business practices, personnel must deal with a variety of individuals, companies, organizations, and government agencies. In those dealings, all personnel must never make any misrepresentations, dishonest statements, or statements intended to mislead or misinform. If it appears that anything you have said has been misunderstood, correct it promptly.

In addition, management must ensure that all of The Corporation's business records are accurate and truthful, with no material omissions; that the assets and liabilities of The Corporation are accounted for properly in compliance with all tax and financial reporting requirements, and that no false records are made. Similarly, all reports submitted to governmental agencies, insurance carriers, or other entities will be accurately and honestly made.

5. Proper Use of The Corporation's Assets

All managers should establish appropriate internal accounting controls over all areas of their responsibility to ensure the safeguarding of The Corporation's assets and the accuracy of financial records and reports. These established accounting practices and procedures must be followed to assure the complete and accurate recording of all transactions. The Corporation has adopted these controls in accordance with the Generally Accepted Accounting Principles ("GAAP"), the guidelines of the Financial Accounting Standards Board ("FASB"), internal needs and the requirements of other applicable laws and regulations. All employees, within their areas of responsibility, are expected to adhere to these established controls.

If you become aware of any improper use of, or accounting practice inconsistent with, GAAP or FASB concerning The Corporation's resources, you should report the matter immediately.

To be certain The Corporation's policies on proper use of resources are carried out, you are expected to observe the following longstanding accounting rules:

Make outside payments only with a draft or check or through other properly documented sources. No payment on behalf of The Corporation should be approved or made without adequate supporting documentation or with the intention or understanding that any part is to be used in any way other than described in the supporting documents.

Do not establish any undisclosed or unrecorded corporate account, fund or asset for any purpose.

Get proper authorization before opening any new account, either on The Corporation's books or with an outside agency, such as a bank.

Do not use any account for a misleading purpose or to conceal the existence or use of any corporate resource.

Record every payment to and every transaction with an outside party on The Corporation's books promptly, accurately and through normal financial reporting channels. If you are involved in or accountable for any such transactions, you are expected to make sure a prompt and accurate accounting is made.

You are also expected to select The Corporation's business partners solely on their merits, in the best interest of The Corporation, and without regard to non-business related considerations.

The following is an example of the kinds of relationships with business partners that are prohibited:

Personal financial involvement or ownership of a substantial interest that has not been disclosed and approved in accordance with The Corporation's Conflict of Interest Policy in organizations with whom The Corporation does business, such as vendors, suppliers, agents, customers, contractors, licensees or sponsors.

Anything that would constitute improper or questionable behavior on the part of an employee is also unacceptable if engaged in through a third party, such as a spouse, other family member, friend or any other person or entity with whom the employee is closely identified or in which he or she has any significant ownership or financial interest or position.

6. Purchasing and Competitive Bidding Policy

All purchasing decisions must be made with the purpose of obtaining the highest quality product or service for The Corporation or its patients at the most reasonable price. No purchasing decision may be made based on any consideration that any employee, officer or trustee – or any family member or friend of any of them – will benefit by the transaction. Rather, the sole criteria behind all purchasing decisions must be only the best interests of The Corporation (see also the Conflict of Interest Rules set forth below in section 19). Nor can any service or item be purchased in return for a referral of patients from another or

with a view towards inducing another to refer patients (see also the rules governing Marketing Activities and Patient Referrals set forth below in section 10).

In purchasing items or contracting for services with a value more than \$50,000, The Corporation's competitive bidding rules must be followed.

7. Trade Practices/Antitrust

Antitrust laws are designed to preserve and foster fair and honest competition within the free enterprise system. To accomplish this goal, the language of these laws is deliberately broad, prohibiting such activities as "unfair methods of competition" and agreements "in restraint of trade." Such language gives enforcement agencies the right to examine many different business activities to judge the effect on competition.

The Corporation's policy requires full compliance with all antitrust laws. No employee, under any circumstances, has the authority to approve a violation of the law. Anyone who violates the law or knowingly permits a subordinate to do so is subject to disciplinary action, including dismissal.

Penalties for antitrust violations are severe for The Corporation and the individual. They include: Imprisonment.

Substantial fines against The Corporation and the individual for each criminal offense.

Payment of treble damages, plus attorney's fees and litigation costs, to firms or individuals injured by the violation.

Injunction or consent decrees prohibiting certain activities. Consent decrees can seriously limit a company's future freedom to engage in business activity and can be applied across a broader scope than was involved in the original alleged violation.

It is important that you have a basic knowledge and understanding of the requirements of antitrust laws.

The greatest danger for violations of antitrust laws rests in contact with competitors. Antitrust laws make illegal any agreement or understanding, expressed or implied, written or oral, which restricts competition or interferes with the ability of the free market system to function properly. In the eyes of the law, good intentions, customer benefits or consumer benefits do not justify or excuse violations. For The Corporation, a "competitor" may be another hospital or any other healthcare provider.

You should not have any discussions, conversations or other communications with competitors about the division of either patients, geographic areas, or services; the circumstances under which business will be conducted with suppliers, insurance companies, patients or customers (including boycotts); or marketing efforts. Further, you should avoid discussions with competitors regarding the future business plans of The Corporation or any competitors. Finally, you should not have any discussions with competitors regarding prices or reimbursement or salary levels. Under Corporation policy, participation in surveys among competitors regarding information on salaries, fees, etc. is permissible **only** if (1) the survey is managed by a non-competitor third party; (2) the information provided by survey participants is based on data more than three months old; (3) at least five hospitals participate in the survey; and (4) the information provided is not identifiable. Two competitors should not share this information directly between themselves even if the information is available through public sources.

One activity of particular sensitivity in the area of antitrust laws is participation in professional and trade associations. The Corporation encourages such participation and the antitrust laws recognize the legitimate function of these associations. Essentially, though, these associations are comprised of individuals and organizations which compete with one another. Thus, the collective action of members of such associations are not immune from the application of the antitrust laws.

Therefore, all activities of The Corporation personnel undertaken in connection with these associations are subject to the standards discussed above. You can, of course, discuss proposed legislation or regulations concerning sensitive matters if it is for the purpose of developing the association's position. But if you are at an association meeting where participants stray into areas of discussion that

seem to be improper, try to stop such discussion. If you cannot change the course of discussion, leave the meeting.

These points do not include every instance in which the federal and state antitrust laws may apply. If you have questions, contact the Office of Legal Affairs.

8. Compliance With Anti-Kickback and Corrupt Influence Statutes

Both federal and state laws specifically prohibit any form of kickback, bribe or rebate made directly or indirectly, overtly or covertly, in cash or in kind to induce the purchase, recommendation to purchase or referral of any kind of healthcare goods, services or items paid for by Medicare or the Medicaid program. The term “kickback” as defined in these statutes means the giving of remuneration, which is interpreted under the law as anything of value. Under the federal law, the offense is classified as a felony and is punishable by fines and imprisonment for up to five years. Federal and state “anti-referral” laws impose substantial penalties relative to billing for services referred by physicians or other healthcare practitioners who have a contractual or business relationship with The Corporation. You should become familiar with these statutes and assure that all of your activities are conducted in such a manner that no question may arise as to whether any of these laws have been violated.

Any question concerning these statutes or any business arrangement subject to anti-kickback or anti-referral laws should be directed to the Office of Legal Affairs.

To list everything that may constitute an improper inducement under the anti-kickback laws would not be possible. However, The Corporation must scrupulously avoid being either the offeror or the recipient of an improper inducement. Care must be taken in structuring relationships with persons not employed by The Corporation so as not to create a situation where The Corporation appears to be offering an improper inducement to those who may be in a position to refer or influence the referral of patients to The Corporation. For example, the offering of free goods or services, or those priced below market value, to physicians for the purpose of influencing them to refer patients to, or utilize the professional services offered by, The Corporation would be improper.

As a provider of patient care, The Corporation also should not receive any improper inducement from its vendors to influence it in making decisions regarding the use of particular products or the referral or recommendation of patients to other providers of goods and services paid for by Medicare or Medicaid. For example, free, or at below-market value, goods or services from vendors, awards, discounts, prizes or other forms of remuneration may be treated as a “kickback” even if given as part of a promotional program of a vendor or provider, e.g., pharmaceutical company, medical equipment supplier, etc. There are certain exceptions to these rules which permit discounts, rebates and allowances under appropriate circumstances, provided there is proper disclosure of the discount or other remuneration to third-party payors.

Before entering into any business or contractual relationship with any person or organization which may raise a question under the anti-kickback laws, or with any physician or other healthcare practitioner who makes or may make referral to The Corporation, please consult with the Office of Legal Affairs.

Likewise, it is a violation of The Corporation’s policy, and an offense for which dismissal will be considered, for any officer, employee or any other person acting on behalf of or in the name of The Corporation to make or authorize the paying of any bribe, any payment for an illegal act or any other use of a Corporation resource which, although arguably not illegal, could be interpreted as improper or unwarranted.

In general, any money, property or favor offered or given to induce someone to forego normal business or professional considerations in making decisions that affect The Corporation constitutes improper use of a resource. Equally improper is any payment of any kind to consultants, agents, brokers, attorneys, other individuals or firms if there is reason to suspect that some or all of the payment is to be used to do anything that is prohibited by this Code.

A useful test to apply in determining whether a payment – or any other transaction – is proper is whether such transaction, if disclosed publicly, could adversely affect the reputation of The Corporation. Another useful principle to follow is not to give anything to a vendor, client, or other person doing business

with The Corporation which you could not yourself accept under The Corporation's policies (see *Gifts and Entertainment*) if it were offered to you under similar circumstances. If you have any doubts as to whether a payment is lawful, you should consult your supervisor or the Compliance Officer, Margaret M. Johnson, Esq., Senior Vice President for Legal Affairs and General Counsel.

9. Gifts and Entertainment

No personnel will engage, either directly or indirectly, in any corrupt business practices, including bribery, kickbacks or payoffs, intended to influence or reward favorable decisions of any patient, physician, government representative, contractor, or vendor in a commercial transaction, or any other person in a position to benefit The Corporation or the employee in any way. No employee will make or offer to make any payment or provide any other thing of value to another person with the understanding or intention that such payment is to be used for an unlawful or improper purpose.

Personnel may provide, however, ordinary and reasonable business entertainment and gifts of nominal value, such as meals, tickets to sporting events or concerts, and similar gift items. Such gifts cannot be given for the purpose of influencing the business behavior of the recipient.

Cash gifts to physicians or other referral sources are strictly prohibited. Non-cash gifts to physicians or other referral sources that exceed reasonable personal entertainment or have a value exceeding \$75 each are also prohibited. Gifts of even nominal value may not be offered to any governmental official. Such gifts can be misinterpreted as an attempt to improperly influence the official and are to be avoided.

It is prohibited for any employee to accept gifts, gratuities, hospitality, loans, or other favors with a fair market value in excess of \$75 from any patient, client, vendor, contractor, individual or concern that does (or is seeking to do) business with, or is a competitor of, The Corporation under circumstances from which it could be inferred that the employee's action was for their own benefit, and not solely for the benefit of The Corporation. This does not preclude the acceptance of items of nominal value, up to a fair market value of \$75, that are clearly tokens of friendship or business hospitality.

Any questions regarding whether or not an item or situation falls within the scope of this section must be raised immediately with Margaret M. Johnson, Esq., Senior Vice President for Legal Affairs and General Counsel who will assess the propriety of the particular situation.

10. Marketing Activities and Patient Referrals

The Corporation is committed to the delivery of high quality medical care, and relies on the quality of that care in marketing its services to patients, physicians, and other healthcare providers who might refer patients. All marketing activities and advertising by personnel must be truthful and not misleading, and must be supported by evidence to substantiate any claims made. The Corporation's best advertisements are the quality of the medical services we provide. No personnel should disparage the service or business of a competitor through the use of false or misleading representations.

The Corporation does not pay incentives to any employee based upon the number of persons admitted for treatment or the value of services provided. The decision to refer patients is a separate and independent clinical decision made by the referring physician or healthcare provider.

Nor does the Corporation pay physicians, or anyone else, either directly or indirectly, for patient referrals. Federal and state laws make it unlawful to pay any individual on the basis of the value or volume of referral of patients. This includes the giving of any form of remuneration, including virtually anything of value, in return for a referral. Conversely, The Corporation does not accept any form of remuneration in return for referring our patients to other healthcare providers.

11. Tax

The Corporation and its affiliates are charities, exempt from taxation by the federal, state and local governments. In order to maintain this exemption, which is critical to The Corporation's survival, The Corporation must operate for the benefit of the community and must avoid what the tax law calls "private inurement" and "private benefit." All nonexempt individuals or entities must pay fair market value for use of Corporation services or property. Violation of the tax law can give rise to criminal penalties as well. Questions on tax issues should be referred to the Office of Legal Affairs.

Care must also be taken that The Corporation's sales tax exemption is used only for legitimate Corporation activities. Personal items should not be purchased through The Corporation even if The Corporation is reimbursed by the employee.

All appropriate taxes must be withheld from employees' wages, and the use of a purchase order to compensate individuals must be limited to true independent contractors and first cleared by The Corporation or the Office of Legal Affairs.

The Corporation has issued tax exempt bonds which are secured by mortgages covering much of its property. These bonds contain restrictions on the use of this property and on other Corporation activities which, if violated, could jeopardize The Corporation's ability to borrow money in the future. Questions on these issues should be referred to the Office of Legal Affairs.

12. Fund Raising

As a charity, The Corporation relies heavily on contributions from donors to support its many activities. Employees are encouraged to support this fund raising effort but are required to coordinate all activities with The Corporation. Monies or other items received on behalf of The Corporation as gifts should be deposited immediately in Corporation accounts.

Charitable contributions from vendors to The Corporation may raise issues implicating federal and state anti-kickback laws, and should be reviewed with the Office of Legal Affairs. Care should be taken when soliciting or receiving such contributions that the contributor not be lead to believe, either directly or indirectly, that the contribution will affect The Corporation's professional judgment regarding the goods or services it purchases, recommends or provides to its patients. All such contributions must be handled through The Corporation and accepted on behalf of The Corporation.

13. Labor and Employee Relations Matters

In the conduct of its business, The Corporation deals with a number of labor unions. It is The Corporation's policy to comply fully with all applicable wage and hour laws and other statutes regulating the employer-employee relationship and the workplace environment. Under federal and state law, it is illegal for The Corporation or a Corporation employee to pay to or receive any money or other thing of value from any labor organization that represents Corporation employees. No Corporation employee may interfere or retaliate against another employee who seeks to invoke his or her rights under those laws. If you have any questions about the laws governing labor and employee relations matter, please contact the Office of Legal Affairs.

14. Immigration

Federal law prohibits employers from hiring employees who are not legally authorized to work in this country. Unless an employee is a U.S. citizen or has a "green card" or visa which authorizes him or her to work in the position in question, The Corporation may be subject to civil or criminal penalties if he or she is placed on the payroll. All prospective employees must present appropriate documentation of their citizenship status to The Corporation. Wherever possible, this should be done well in advance of the

employee's first day of work to avoid hardship or embarrassment. Questions on immigration issues should be referred to Margaret M. Johnson, Esq., Senior Vice President for Legal Affairs and General Counsel.

15. Emergency Care

The Corporation is required by state and federal law to provide medical screening, regardless of ability to pay, to patients who present to its Emergency Room and request examination. If the patient has an emergency medical condition, The Hospital must treat and admit the patient, and can only transfer him or her after he or she has been stabilized. Any such post-stabilization transfer is only allowed in limited circumstances. With respect to any person who is in need of immediate hospitalization, The Hospital may not question the patient or any member of his or her family concerning insurance, credit or payment of charges, prior to admission, provided that the patient or a member of his or her family shall agree to supply such information promptly after the patient's admission. All emergency Department personnel should be aware of The Corporation's policy in this regard. Special restrictions govern the transfer process. Failure to comply with the detailed requirements of federal and state law can subject The Corporation or its staff to civil or criminal penalties. Questions should be referred to Margaret M. Johnson, Esq., Senior Vice President for Legal Affairs and General Counsel.

16. Certificate of Need/Licensure

State law requires The Corporation to obtain the prior approval of the Department of Health before purchasing major medical equipment, changing the services it provides or making other significant capital expenditures. Questions regarding the Certificate of Need law should be referred to Margaret M. Johnson, Esq., Senior Vice President for Legal Affairs and General Counsel.

The Corporation is licensed by the State of New York and accredited by The Joint Commission on Healthcare Organizations. These two agencies have numerous requirements that determine the manner in which The Corporation delivers its services.

Each employee is expected to be familiar with the regulations governing his or her area, to stay abreast of new developments and to alert his or her supervisor to possible noncompliance. Questions regarding regulatory requirements should be referred to Margaret M. Johnson, Esq., Senior Vice President for Legal Affairs and General Counsel.

17. Environment, Health and Safety

In the course of The Corporation's operations, hazardous materials and infectious wastes may be used or generated. The Corporation is financially and legally responsible for the proper handling and disposal of these materials. Environmental responsibility is also an important component of our duty to the public and our good reputation.

It is essential that everyone at The Corporation who deals with hazardous materials and infectious waste complies with environmental laws and regulations, and follows the environmental safety procedures explained in The Corporation's programs and existing manuals. Employees are also expected to enable The Corporation to:

comply with all laws and regulations governing the handling, storage and use of hazardous materials, other pollutants and infectious wastes;

comply with its permits that allow it to safely discharge pollutants into the air, sewage systems, water pollution control facilities, or onto/into land;

hire only reputable licensed services to transport and dispose of hazardous and polluted materials and infectious wastes; and

accurately maintain the records required by the environmental laws and regulations, including those that require precise description of the amount, concentration and make-up of hazardous materials or other regulated pollutants and infectious wastes that are used, stored, discharged or generated; and the time,

place of origin, destination and transporter of hazardous materials, and discharge of pollutants. These records should be handled pursuant to proper Corporation policy.

No one at The Corporation may participate in concealing improper discharge or disposal of hazardous materials, pollutants or infectious wastes. Any employee who has reason to believe that there have been violations of this or any other aspect of The Corporation's environmental compliance procedures should report immediately to the Compliance Officer, who will investigate and, when appropriate, notify pertinent government agencies as required by law. Before proceeding to act on any instruction of questionable propriety, or to take any environment-related action about which they are unsure, employees are expected to discuss their questions with Margaret M. Johnson, Esq., Senior Vice President for Legal Affairs and General Counsel.

Both federal and state laws regarding the promotion of occupational safety and avoidance of job related hazards are designed to ensure that each of us works in a safe environment. Due regard and attention should be paid to those laws and regulations. Each of us plays a valuable role in providing the services of The Corporation. Without a safe and non-hazardous environment in which to work, none of us can achieve the goals of community service to which we strive. Should you notice a potential or actual infringement of the laws and rules regarding occupational safety, you must advise your supervisor or the Compliance Officer.

18. Pharmaceuticals, Prescription Drugs, Controlled Substances

Many of The Corporation's employees have responsibility for or access to prescription drugs, controlled substances, hypodermic needles, drug samples and other regulated pharmaceuticals. The Corporation is legally responsible for the proper distribution and handling of these pharmaceutical products. Federal, state and local laws covering prescription drugs and controlled substances are intended to maintain the integrity of our national drug distribution system and protect consumers by assuring that prescription drugs are safe and properly labeled.

These laws include prohibitions against diversion of any prescription drug or controlled substance, including a drug sample, in any amount for any reason to an unauthorized individual or entity. The distribution of adulterated, misbranded, mislabeled, expired or diverted pharmaceuticals is a violation of federal and state law for which severe criminal penalties may be imposed on individual violators as well as on The Corporation.

It is The Corporation's policy that all employees be both diligent and vigilant in carrying out their obligations to handle and dispense The Corporation's prescription drugs and controlled substances in accordance with all applicable laws, regulations and Corporation procedures. These Corporation procedures and policies are available in written form from the Office of Legal Affairs.

Every professional employee, whether physician, nurse, pharmacist or any other licensed individual authorized to prescribe, dispense, or handle prescription drugs or controlled substances, is expected to maintain the highest professional standards in safeguarding pharmaceuticals of all kinds and in preventing unauthorized access to them. This includes adherence to laws and regulations governing procedures for securing scheduled controlled substances and for their return or destruction.

No prescription drug or controlled substance may be sold, transferred, or otherwise distributed unless authorized by a written Corporation policy or the appropriate Corporation individual charged with such responsibility. Nonprofit hospitals are permitted by an exception to federal antitrust and price discrimination laws to purchase drugs at a specially discounted price. However, the drugs dispensed by The Corporation's pharmacy are restricted by law to The Corporation's own use. The exemption permits dispensing these drugs to hospital employees, students and staff physicians for their personal use or for the use of their dependents. Drugs dispensed by The Corporation's pharmacy may NOT, however, be used by non-dependents or by staff physicians for their private practice without the express approval of The Corporation.

Any violation of any law or of any Corporation policy involving prescription drugs, controlled substances or other pharmaceuticals will constitute grounds for dismissal. Each employee is expected to protect the integrity of The Corporation by safeguarding the drugs entrusted to us for appropriate institutional medical use. If you become aware of any potential lapses in security, or any actual infringement of any law, policy or regulation relating to drugs, you must advise your supervisor or The Compliance Officer immediately.

19. Conflict of Interest Rules

The relationship between The Corporation and all of our personnel is one which carries with it a duty of honesty, loyalty, and fidelity. All personnel must exercise utmost good faith in all transactions which touch upon their duties and responsibilities for, or on behalf, of The Corporation. Even the *appearance* of illegality, of impropriety, or of a conflict of interest or duality of interest can be detrimental to The Corporation, and therefore **must be avoided**.

All senior personnel must complete a conflict of interest form in which they are required to disclose all direct and familial interests which compete or do business with The Corporation. In addition, all personnel must examine their own and their immediate family's activities, and promptly report to The Compliance Officer the existence of any enterprises in which they or their immediate family has an "interest," and which the person knows is engaged, or is reasonably likely to engage, in transactions with The Corporation. A person's immediate family includes his or her spouse, siblings, children, in-law of any of them, parent or parent-in-law.

A person is deemed to have an "interest" in an enterprise when he or she, or a member of his or her immediate family is a member, owner, director, or officer of, or has a financial interest in, an enterprise from which The Corporation purchases or leases equipment, services, or supplies, or that provides services that compete with The Corporation; or with which The Corporation negotiates real estate transactions (such as the leasing of space), and which either benefits from the real estate transaction or competes with The Corporation in the leasing or purchase of real estate; or which renders directive, managerial, or consulting services to any organization that does business with, or competes with, The Corporation in providing services.

If the financial interest is the ownership of securities which are publicly traded, such interest does not have to be disclosed, unless the combined holdings of the securities of both the person and his or her immediate family constitute 5% or more of the outstanding securities of the entity concerned.

All personnel who have an interest in an enterprise, as outlined above, must disclose their interest in writing to the Compliance Officer; take no part in the consideration or determination of the matter on the part of The Corporation; and to the extent reasonable given the circumstances, should take no part in, and should have no financial participation in, the transaction between the enterprise and The Corporation. If The Corporation is considering engaging in a transaction with an enterprise in which personnel have an interest, that interest must first be brought to the attention of Margaret M. Johnson, Esq., Senior Vice President for Legal Affairs and General Counsel.

20. Confidential Information

Confidential information acquired by personnel about the business of The Corporation must be held in confidence and may not be used as a basis for personal gain by the personnel, their families, or others. Information relating to transactions pending with The Corporation is not to be released to any person unless this information has been published or otherwise made generally available to the public. Similarly, if The Corporation is considering buying, leasing, or selling any property, item, or interest, The Corporation employees and affiliates must not attempt to buy, lease, or sell for their own benefit or that of their family the item under consideration, until The corporation's decision on the matter has been executed. Finally, other than in connection with the employee's discharge of their official responsibilities with The Corporation, all

personnel must also refrain from disclosing information about The Corporation consideration or decision, or any other information which might be prejudicial to the interest of The Corporation.

The governing principle is that if any material confidential information pertaining to The Corporation is received by personnel, they must not use such information for their own or their family's benefit, nor should they disclose it to others for their personal use.

a. Safeguard the Privacy of Our Patients

Our professions require that we gather a great deal of personal information about individuals. Therefore, we must carefully avoid any unwarranted invasion of the individual's right to privacy. This applies to information about our patients and our employees.

For this reason, and to assure the accuracy of the information we retain, the following guidelines apply:

To protect individuals against misuse of information identifiable to them, limit access to that information, except to the extent permitted by Corporation policy.

Use only legitimate means to collect the information and, whenever practical, obtain it directly from the individual concerned.

Special confidentiality rules apply to patients in drug and alcohol treatment programs as well as disclosure of information regarding a patient's HIV status. When release of any information with respect to patients with these illnesses is contemplated, these rules must be adhered to carefully.

Any employee or agent of The Corporation who engages in unauthorized disclosure of information in violation of the privacy rights of our patients or others may be subject to immediate termination in addition to possible civil or criminal sanctions. Any person who becomes aware of such unauthorized disclosure should report it immediately.

b. Confidentiality of Corporation Information

One of The Corporation's most valuable assets is its body of confidential information. The widespread use of computer terminals and computer systems has caused this information to be accessible to many employees. Failure to protect this information adequately can lead to the loss of highly confidential data that may place The Corporation legally at risk. Because of this risk of harm to The Corporation, its employees and patients, no employee shall, without written consent of The Corporation during the term of employment or thereafter, use for the benefit of such employee or others or disclose to others any confidential information obtained during the course of employment.

Confidential information includes The Corporation's methods, processes, techniques, computer software, equipment, service marks, copyrights, research data, clinical and pharmacological data, marketing and sales information, personnel data, patient lists, financial data, plans and all other know-how and trade secrets which are in the possession of The Corporation and which have not been published or disclosed to the general public.

As an employee, you are responsible and accountable for the integrity and protection of business information and must take steps to protect information that has been entrusted to you. For example, you must not make inappropriate modifications of information or destroy or disclose information except as authorized. Documents containing sensitive data, including information concerning patients, should be handled carefully during work hours and must be properly secured at the end of the business day. Particular attention must be paid to the security of data stored on the computer system. If you observe individuals whom you do not recognize using terminals in your area, immediately report this to your supervisor.

c. Information Owned by Others

Like The Corporation, other organizations have intellectual property they want to protect. So do individuals. These other parties are sometimes willing to disclose their confidential information for a

particular purpose. If you are on the receiving end of another party's confidential information, you must proceed with caution to prevent any accusations that you or The Corporation misappropriated or misused the information.

To avoid the risk of being accused of misappropriating or misusing someone's confidential or restricted information, there are certain steps you should take before receiving such information. The receipt of confidential or restricted information whether oral, visual or written must not take place until the terms of its use have been formally agreed to by The Corporation and the other party. That means a written agreement approved by Margaret M. Johnson, Esq., Senior Vice President for Legal Affairs and General Counsel. Furthermore, unless otherwise delegated, establishing such an agreement for the receipt of confidential or restricted information of another party will require the prior written approval of an appropriate Corporation Officer. Once another party's confidential or restricted information is properly in your hands, you must not use, copy, distribute or disclose that information unless you do so in accordance with the terms of the agreement.

Special care should be taken in acquiring software from others. As intellectual property, software is protected by copyright laws and may also be protected by patent, trade secret laws or as confidential information. Such software includes computer programs, databases and related documentation owned by the party with whom you are dealing or by another party. Before you accept software or sign a license agreement, you must follow established Corporation procedures. The agreement must be reviewed and approved by Margaret M. Johnson, Esq., Senior Vice President for Legal Affairs and General Counsel. The terms and conditions of such license agreements – such as provisions not to copy or distribute programs – must be strictly followed. Also, if you acquire software for your personally-owned equipment, you should not copy any part of such software in any work you do for The Corporation, place such software on any Corporation-owned computer system, or generally bring such software onto The Corporation premises.

In any case, do not take the status of information for granted. If you have information in your possession that you believe may be confidential to a third party or may have restrictions placed on its use, you should consult with Margaret M. Johnson, Esq., Senior Vice President for Legal Affairs and General Counsel.

d. Records Retention/Destruction

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

You are expected to comply fully with the records retention and destruction schedule for the department in which you work. If you believe that documents should be saved beyond the applicable retention period, consult your supervisor, who in turn should contact the Office of Legal Affairs.

It is likewise critical to the successful accomplishment of The Corporation's professional goals that its records be fully and accurately completed and maintained consistent with proper business practices. Many of The Corporation records serve as a basis for treatment decisions for its patients, as a compilation of goods and services rendered for billing purposes and as a recordation of historical courses of treatment. Each of these functions serves an indispensable role in enabling The Corporation to fulfill its obligations to its patients, the medical and nursing staff, and the various payors for goods and services. Consequently, the proper and contemporaneous creation of fully accurate and complete records is a duty of each member of The Corporation.

21. Government Investigations

Given the increased vigilance by law enforcement agencies in the healthcare arena, it is important that The Corporation establish definitive guidelines on how and when to respond to government inquiries. Inaccurate or incomplete information provided to government officials in response to their inquiries will more often than not generate complications for The Corporation and possibly frustrate the legitimate purposes of the inquiry. Unauthorized disclosure of information may jeopardize our patient's rights to privacy and expose the organization to inability. Therefore, we must adhere to the following procedures to ensure The Corporation responds in a proper manner to all government investigations.

Any personnel who receive a governmental request for information, a subpoena, or any other inquiry or legal document regarding The Corporation business must notify the Office of Legal Affairs and speak with Margaret M. Johnson, Esq., Senior Vice President for Legal Affairs and General Counsel, before attempting to make a reply.

If a response is given to a request for information from government regulatory agencies, the response must be accurate and complete. It is The Corporation's policy to comply with the law and to cooperate with reasonable demands made during the course of a governmental investigation or inquiry.

Any employee of The Corporation who is approached by any federal or state law enforcement agency seeking information about any aspect of the operations of The Corporation or the job-related activities of any of The Corporation's officers, employees, or agents should contact the Senior Vice President for Legal Affairs and General Counsel **before** turning over any information.

22. Research Grant Requirements

The commitment of The Corporation to integrity encompass all research grant proposals and activities, whether funded by government agencies, such as the National Institutes of Health, the United States Public Health Service or the federal Food and Drug Administration, or by private sources. The Corporation has established policies and procedures to insure that research grants and their implementation are consistent with federal, state, local and Corporation rules and regulations. It is expected that as members of the scientific community, all faculty and staff will become familiar with the following requirements for research grants.

a. Research Involving Human Subjects

The Institutional Review Board of The Corporation has oversight authority for establishing and maintaining research standards that are consistent with federal and state law for protecting human subjects of research. "Human subject" means a living individual about whom an investigator conducting research obtains data through intervention or interaction with the individual, or identifiable private information. The Corporation, which has obligations under federal and state law to monitor all federal grants and report violations to the appropriate governmental agency, applies these standards to all Corporation research activity.

All grant proposals involving human subjects must be submitted for IRB review and approval. To assure the integrity of research conducted under the auspices of The Corporation, wherever the actual research is carried out, all grant proposals and research must conform to The Corporation's Standards and Informed Consent Policy. Grant recipients must be certain that funds are used in accordance with the approved research protocol.

b. Conflicts of Interest and Improper Referrals

It is extremely important to identify as early as possible in the grant writing process any conflicts of interest between sources of grant funds and The Corporation recipient. Conflicts of interest would include any actual or potential financial interest of a grant recipient in the outcome of the research. Such conflicts

are particularly likely to arise where grants are funded by private sources, which may include pharmaceutical companies and vendors of healthcare products or services. Researchers must abide by The Corporation's Conflict of Interest Policy, a copy of which is available from the Office of Legal Affairs and the American Medical Association's (AMA) guidelines on clinical investigation (Code of Medical Ethics, Section 2.07, 1994 Edition). A Copy of the AMA guidelines is available. All conflicts must be disclosed to the Office of Legal Affairs. Where conflicts cannot be resolved to the satisfaction of The Corporation, a grant application must be withdrawn or redrafted.

Researchers must be vigilant in considering whether grants could involve improper inducements for the referrals of patients to The Corporation. This could occur, for example, in a study of drug efficacy underwritten by a pharmaceutical company if the protocol were not appropriately designed. If improper, such referral practices would constitute "kickbacks" in violation of federal and state law. Any questions concerning whether the anti-kickback or other statutes may be involved in a research proposal should be directed to Margaret M. Johnson, Esq., Senior Vice President for Legal Affairs and General Counsel. Care must be taken to be sure that the purpose of the research and the protocol are consistent with proper objectives, and that research is conducted so as to adhere to the approved protocol.

c. Scientific Misconduct

"Scientific Misconduct" means fabrication, falsification, plagiarism, or other practices that seriously deviate from practices that are commonly accepted within the scientific community for proposing, conducting or reporting research. It does not include honest error or honest differences in interpretation or judgments of data.

The Corporation defines "scientific misconduct" also to include failure to submit research projects for internal review board's approval, to obtain informed consent in accordance with The Corporation's Informed Consent Policy, or to comply with the Conflict of Interest Policy or any other Corporation policy on research activities. Fiscal improprieties and issues concerning the ethical treatment of human or animal subjects are also included in The Corporation's definition of scientific misconduct. In addition to the risk of serious federal and state penalties, scientific misconduct is a violation of The Corporation's policy, and an offense for which dismissal will be considered.

Each person employed by or doing research under the auspices of The Corporation must report to Margaret M. Johnson, Esq., Senior Vice President for Legal Affairs and General Counsel, any instance of scientific misconduct which he or she believes may have occurred or allegations of scientific misconduct which are brought to his or her attention. The Corporation has written guidelines setting out the process for dealing with alleged or apparent scientific misconduct. The process is intended to protect the rights and reputation of all those who may be involved, and to ensure that the integrity of The Corporation is maintained in all research activities.

23. Human Resources

a. Drug-Free Environment

The Corporation recognizes that its greatest strength lies in the talent and ability of its employees. While specific Human Resources programs and policies may differ somewhat by department, these goals have been established to guide The Corporation's activities in employee relations. It is The Corporation's on-going policy:

To provide equal opportunity for employment and advancement on the basis of ability and aptitude without regard to race, color, creed, age, sex or sexual orientation, handicaps or national origin, except where age, sex or physical status is a bona fide occupational qualification.

To protect the health, safety, privacy and comfort of the patient and employee in the work environment.

To compensate employees according to their performance, and to provide equitable benefits within the framework of prevailing practices.

The institution maintains a drug-free workplace and will not tolerate on its premises either the manufacture, dispensation, possession, distribution, use or an employee being under the influence of illicit drugs or alcohol while on duty. The institution also prohibits the consumption of alcoholic beverages on any of its premises other than in connection with celebrations or meals either (1) approved by the facility's President and Chief Executive Officer in connection with events held in healthcare facilities, or (2) approved by a senior officer of the Company in connection with events held in non-healthcare facilities. The institution will immediately discipline or discharge employees who violate this policy.

The Corporation is committed to a work environment in which all individuals are treated with respect and dignity. Each person has the right to work in a professional atmosphere that promotes equal opportunities and prohibits discriminatory practices, including sexual harassment. Discrimination or harassment, whether based on race, color, religion, gender, national origin, age, disability or sexual orientation, regardless of whether it occurs at the office or outside, Corporation-sponsored settings, is unacceptable and will not be tolerated.

The Corporation has prepared an extensive manual of policies designed to implement the above-stated goals of The Corporation as well as the collective bargaining agreements into which The Corporation enters with the various union which represent its employees. Familiarity with and adherence to The Corporation's Human Resources policy is the responsibility of each employee.

24. Responsibilities of Supervisors and Managers

All Supervisors and managers have the responsibility to help create and maintain a work environment in which ethical concerns can be raised and openly discussed. They are also responsible to ensure that the personnel they supervise understand the importance of this Code of Conduct and the compliance program; that these personnel are aware of its provisions and of the procedures for reporting suspected unlawful activity; and that **all personnel are protected from retaliation if they come forward with information about suspected wrongdoing.**

25. Review of this Corporate Compliance Handbook

All personnel will be expected to read and understand this Handbook and to review it as necessary in order to be alert to situations which could create a conflict of interest or otherwise be contrary to the established policies of The Corporation. All personnel must, upon receiving a copy of this Handbook, sign and date an Acknowledgement to Director of Human Resources.

Part III. Compliance Procedures

This section of the Standards of Excellence summarizes the rules under which the compliance program will operate. To be effective, a compliance program must provide for the following: continued reporting of issues or possible violations of the Code of Conduct to the Compliance Officer; enforcement of the Code through the promulgation of disciplinary procedures; continued, periodic reviews and self-audits of our business practices; and implementation of modifications in the compliance program, as necessary, to prevent future violations. Rules and procedures as to each of these topics are set forth below.

1. Reporting and Complaint Procedures

All personnel should raise any questions they might have about potentially unethical or illegal conduct with Margaret M. Johnson, Esq., Senior Vice President for Legal Affairs and General Counsel. She has been designated as The Corporation's "Compliance Officer." In this regard, information about suspected illegal conduct must be reported promptly to her. The intentional or knowing failure to report criminal activity

amounts to a condoning of that activity. As a result, the failure to report knowledge of wrongdoing may result in disciplinary action against those who fail to report.

Moreover, even if you merely have a general question about the propriety of conduct, you should still reach out to the Compliance Officer for guidance. She is the compliance program's "point person," to whom all officers and employees can turn to express concerns about such matters. Obviously, it is preferable that questions about a potentially troublesome issue be raised before the issue becomes a legal problem.

Your report or question may be raised anonymously, if you choose, and will be held in the strictest confidence possible, consistent with the need to investigate any allegations of wrongdoing. To the extent possible, the Compliance Officer will not disclose the identity of anyone who reports a suspected violation of law or who participates in an investigation. All personnel should be aware, however, that the Compliance Officer/the Senior Vice President for Legal Affairs and General Counsel, are obligated to act in the best interests of The Corporation and do not act as the personal representative or lawyer for employees.

Upon receiving a report of possible unethical or illegal conduct, the Compliance Officer will bring such report, as appropriate, to the attention of senior management, and, conduct an investigation. All personnel are expected to cooperate in such investigations.

Retaliation in any form against an individual who in good faith reports possible unethical or illegal conduct is strictly prohibited and is itself a serious violation of the Code of Conduct. Acts of retaliation should be reported to the Compliance Officer immediately and will be disciplined appropriately.

The Compliance Officer will maintain a written record of all reports made of suspected wrongdoing; of all steps taken to investigate those reports; and of all determinations made as a result of any investigation that may be undertaken.

2. Discipline for Violations of the Code of Conduct

All personnel are expected to adhere to this Code of Conduct. If the Compliance Officer concludes, after an appropriate investigation, that the Code has been violated, then she will recommend appropriate discipline, including discharge. Such recommendation can be based on the employee's unlawful or unethical actions, condoning or failing to report unlawful actions by others, retaliation against those who report suspected wrongdoing, or other violation of the Code of Conduct.

3. Disclosure of Conflicts of Interests

All The Corporation trustees and all personnel who are in a position to influence any substantive business decision by The Corporation will, at least annually, file a Conflict of Interest Disclosure Statement with the Compliance Officer. The Compliance Officer will keep a confidential file of these Statements and will consult with the Senior Vice President for Legal Affairs and General Counsel concerning any potential problems or possible conflicts of interest.

In addition, all personnel must also immediately disclose to the Compliance Officer any possible conflicts of interest as they arise. The Compliance Officer, as appropriate and necessary, may consult with outside counsel. Such continuing disclosure should occur upon finding that the personnel or his or her immediate family have an interest or possible interest in an enterprise that might create a possible conflict of interest; upon entering into any outside relationship which might involve a conflict of interest with, or cause embarrassment to, The Corporation; or upon considering such interests or outside relationships.

If personnel are in doubt whether disclosure is required in a specific instance, they should err on the side of disclosure and immediately make all facts known to the Compliance officer.

Upon receiving a disclosure of a possible conflict of interest, the Compliance Officer will review the disclosure and she will determine if such financial interest or outside relationship creates a conflict of interest, is improper, or creates the appearance of a conflict of interest or of improper conduct. The Compliance Officer will also review the information disclosed to determine if additional disclosures or other

action is necessary. Recommendations will then be made to the President and Chief Executive officer as to the appropriate course of conduct both for The Corporation and for the personnel involved. Once a final decision is made on how to proceed, the personnel will be instructed as to the course of conduct decided upon.

4. Training

The Department of Human Resources is responsible for ensuring that this Code of Conduct Handbook is distributed to all personnel and for maintaining a file containing each person's signed acknowledgment form. All new personnel should also receive a copy of this Handbook and sign the acknowledgment form.

In addition, the Compliance Officer should develop a schedule of occasional training on compliance issues, as necessary. The training for different groups of employees should focus on the legal requirements most relevant to their particular jobs. The Compliance Officer will maintain a record of all personnel who have attended such training.

5. Ongoing Compliance Procedures

On a regular, periodic basis, the Compliance Officer will conduct reviews of The Corporation's business and billing practices. These reviews will include, but are not limited to, such things as the following:

A review of the reports of suspected violations of the Code of Conduct to determine if there are any patterns in the violations that might indicate broader compliance issues.

A small random sampling of the medical records and corresponding bills for each of The Corporation's departments. If these samples uncover substantial billing or documentation errors, then the Compliance Office will broaden the audit, as appropriate, to determine the scope of the problem, if any.

A review of The Corporation's competitive bidding practices; and, for vendors not subject to the competitive bidding procedures, a review of the quoted prices of other, similarly situated vendors for the same or similar goods or services.

If any of these reviews indicate that possible compliance issues might exist, the Compliance Officer will inform the counsel, the appropriate department head, and senior management. A determination will then be made whether further investigation is required and whether The Corporation's practices need to be modified or improved in any way to ensure continuing compliance with applicable federal and state laws and regulations. The Compliance Officer may delegate such responsibilities to Compliance Coordinators.

Finally, should federal or state laws change in any relevant manner, outside counsel will inform the Compliance Officer and work with The Corporation to make any appropriate changes in their business practices, update this Handbook, or conduct additional training.

6. Annual Report

On an annual basis, the Compliance Officer will issue a report that describes the compliance efforts that have taken place during the prior year and that identifies any changes to the compliance program that can be made to improve compliance. This report will be presented to the Board of Trustees.

Part IV. Individual Judgment

The foregoing guidelines are to help all of us better understand what we believe to be in the best interest of our employees, patients, those with whom we do business and the public at large. Ultimately, however, you are left to depend on your own individual judgment in deciding on the correct course of action.

As you contemplate a particular situation, consideration of the following factors may help you arrive at a satisfactory answer:

Is my action consistent with Corporation practices?

Could my action give the appearance of impropriety?

Will the action bring discredit to any employee or to The Corporation if disclosed fully to the public?

Can I defend my action to my supervisor, other employees and to the general public?

Does my action meet my personal code of behavior?

Does my action conform to the spirit of this Code?

Remember always to use good judgment and common sense. This Code is intended to reflect the collective good judgment and common sense of all of us. Whenever you see a situation where this purpose does not appear to be served by the Code, you have the responsibility to bring your concerns to the attention of the Compliance Officer.

Conclusion

This Overview has been designed to educate you about some of the laws and regulations that govern the practice of medicine and related billing and business issues. It has also been designed to raise your consciousness, by demonstrating the complexity of the myriad laws and regulations that can trip up even the most careful physician and administrator. The consequences of non-compliance can be severe. The Corporation has designated Margaret M. Johnson, Esq., Senior Vice President for Legal Affairs and General Counsel as Compliance Officer.

If this Handbook does nothing else, it should motivate you to think seriously about compliance issues, and how they impact upon your professional life and practice. Just as important, it should motivate you to contact the Compliance Officer with any questions or concerns you might have.