



Policy and Procedure Manual - Whistleblower Policy

Authority: NY SSL 363-d and 18 NYCRR Part 521

Purpose: To implement a program for the identification, reporting, and prevention of fraudulent activity in East Hill Medical Center (EHMC) operations.

Policy: EHMC supports and promotes activities to identify, and report suspected fraudulent activity while maintaining a work environment that encourages employees and others to take an active part in this investigative process without fear of retaliation or negative impact.

Procedure:

1. Training

All employees will receive structured training in the identification of possible fraudulent activities and their respective reporting responsibilities. The following will be included in this training:

- a. Recognition of the Compliance Officer's duties;
- b. Guarantee of protection for good faith reporting;
- c. Actions to be followed.

2. General

EHMC's Standards of Conduct ("Code") require directors, officers, and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of EHMC, we must practice honesty and integrity in fulfilling our responsibilities and complying with all applicable laws and regulations.

3. Reporting Responsibilities

- a. It is the responsibility of all directors, officers, and employees to comply with the Code and report violations or suspected violations in accordance with this Whistleblower Policy.
- b. All employees and board members can report any suspicion or knowledge of fraud, waste, or abuse confidentially or anonymously via the reporting mechanisms established, or directly to the Compliance Officer, a direct supervisor, or a member of Senior Management.

4. No Retaliation

- a. No director, officer, or employee who in good faith reports a violation or suspected violation of the Code shall suffer harassment, retaliation, or adverse employment or board service consequences.
- b. An employee or board member who retaliates against someone who has reported a violation or suspected violation in good faith is subjected to discipline up to and including termination of employment or removal from the board.
- c. This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within EHMC prior to seeking resolution outside EHMC.

5. Reporting Violations

- a. The Code addresses EHMC's open door policy and suggests that employees and others share their questions, concerns, suggestions, or complaints with someone who can address them properly.
- b. In most cases, an employee's supervisor is in the best position to address an area of concern. However, if an employee is not comfortable speaking with his/her supervisor, or if the employee is not satisfied with his/her supervisor's response, the employee is encouraged to speak with the Corporate Compliance Officer or someone from the Human Resources Department, or anyone in management with whom he/she is comfortable approaching.
- c. Supervisors and managers are required to report suspected violations of the Standards of Conduct to EHMC's Compliance Officer, who has specific and exclusive responsibility to investigate all reported violations.
- d. Individuals may contact EHMC's Compliance Officer directly for any compliance concern.

6. Warning Signs

Certain patterns of behavior may indicate a desire for concealment, which may include the following:

- a. Taking minimal time off
- b. Regularly working alone late or on weekends;
- c. Resistance to delegation; and
- d. Resentment of questions about work.

7. Compliance Officer

- a. EHMC's Compliance Officer is responsible for investigating and resolving reported complaints and allegations concerning violations of the Code and, at his/her discretion, shall advise the Chief Executive Officer and/or the Compliance Committee.
- b. The Compliance Officer has direct access to the board of directors and is required to report to the board of directors at least annually on compliance activity.

8. Accounting and Auditing Matters

- a. The board of directors shall address all reported concerns or complaints regarding corporate accounting practices, internal controls, or auditing.
- b. The Compliance Officer shall immediately notify the board of directors of any such complaints and work with the board or designated committee until the matter is resolved.

9. Acting in Good Faith

- a. Anyone filing a complaint concerning a violation or suspected violation of the Code must be acting in good faith and have reasonable grounds for believing the information disclosed indicated a violation of the Code.
- b. Any allegations that prove to be not substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

10. Confidentiality

- a. Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously via the compliance boxes or compliance email.
- b. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

11. Handling of Reported Violations

- a. The Compliance Officer will acknowledge receipt of the reported violation or suspected violation within five (5) business days if appropriate.
- b. All reports will be promptly investigated, and appropriate corrective action will be taken if warranted by the investigation.

12. Distribution of This Policy

This policy shall be distributed to all directors, officers, and employees on an annual basis either via hard copy, through e-mail, or through publication on EHMC's SharePoint.