



Policy and Procedure Manual - Standards of Conduct

Authority: NY SSL 363-d and 18 NYCRR Part 521, 45 C.F.R. §75.327

Purpose: East Hill Medical Center (EHMC), its employees, officers, Board Members, and agents who act on EHMC's behalf (staff) have a responsibility to EHMC's patients, Federal and State Government, and the communities served by EHMC to conduct themselves prudently, responsibly, in furtherance of, and consistent with, EHMC's charitable purposes and non-profit, tax-exempt status, and in the best interest of EHMC's patients.

Policy: East Hill Medical Center, its employees, officers, Board Members, and agents will operate in a manner that is compliant with applicable Federal, State, and local laws and regulations.

Procedure:

1. General Responsibilities

The Board of Directors and staff recognize the paramount importance of maintaining EHMC's reputation for integrity that includes, but is not limited to, ensuring compliance with applicable Federal, State, and local laws and regulations, as well as fulfilling contractual obligations.

a. Individual Responsibility

Every member of EHMC's Board, its officers, staff, and agents are responsible for ensuring that his or her conduct is consistent with these Standards of Conduct, with EHMC's policies and procedures, and with generally accepted standards of professionalism, courtesy, and respect. Furthermore, EHMC staff in supervisory positions must assume responsibility for, and are charged with, ensuring that the conduct of all subordinates complies with these Standards of Conduct.

b. Compliance with Laws and Regulations

Board members, officers, staff, and agents are expected to comply with all laws and regulations applicable to the operations of EHMC, including, but not limited to, disclosure requirements, billing and coding requirements, the maintenance of accurate and complete business records, and requirements related to procurement standards.

c. Confidentiality of Information

Board Members, officers, staff, and agents may acquire confidential or proprietary information by virtue of their affiliation with EHFMC. Confidential or proprietary information may not be: (1) disclosed outside of EHMC without appropriate authorization from the Chief Executive Officer (CEO) or his/her designee; or (2) used for personal gain or for the benefit of any third party.

d. Gifts

No EHMC employee, officer, Board Member, or agent may solicit or accept gifts, gratuities, favors, or anything of monetary value from any current or potential patient, vendor, contractor, potential contractor, or subcontractor of EHMC or any current or potential party to a sub-agreement with EHMC. Every EHMC employee, officer, Board Member, or agent will decline or return any gift and notify the CEO of such gift.

A “gift” means anything of monetary value except for goods/food that can be consumed in one sitting, promotional materials of little or nominal value such as pens, calendars, mugs, and other items intended for wide distribution and not easily resold. Gifts include (but are not limited to): personal gifts, such as sporting goods, household furnishings, social entertainment or tickets to sporting events; personal loans or privileges to obtain discounted merchandise; and the like.

Perishable or consumable gifts received by a department or group are not subject to any specific dollar limitation. However, such gifts may not be received from the same business associate more than 6 times per year.

EHMC will immediately remove or dismiss any Board employee, officer, Board member, or agent found to have offered or accepted a bribe to secure funding or other benefits for or from EHMC.

e. Honest Dealing with Government Officials

Employees, officers, Board members, and agents will be cooperative and truthful in their dealings with any governmental inquiries or requests, including audits, surveys, and certification reviews. However, EHMC staff who are not authorized to speak on behalf of EHMC will not respond to audits, surveys, and certification reviews and will promptly report any such inquiries or requests to EHMC’s CEO, Compliance Officer, or a member of senior management.

f. Conflicts of Interest

i. General Prohibition

EHMC employees, officers, Board members, and agents must strive to make decisions fairly and objectively with the best interests of EHMC in mind. As EHMC is a Department of Health and Human Services (“DHHS”) grantee, these standards for managing Conflicts of Interest are also necessary to comply with DHHS regulations found at 45 C.F.R. §75.327. No employee, officer, Board member, or agent shall participate in EHMC’s selection, award, or administration of any contract or grant, paid in whole or in part with Federal funds, when an actual, apparent, or potential conflict of interest is involved.

ii. Definitions

1. Interest. A person has an “interest” if he or she has, directly or indirectly, through a family member or business partner, any of the following:
 - A business relationship (e.g., an actual or forthcoming contractual or employment compensation arrangement) with: (1) EHMC; (2) an entity with which EHMC has entered (or is negotiating to enter) a transaction or arrangement; or (3) an entity that is a competitor or potential competitor of EHMC;
 - A financial relationship (e.g., a controlling or material ownership, or investment interest) with: (1) an entity with which EHMC has entered (or is negotiating to enter) a transaction or arrangement; or (2) an entity that is a competitor or potential competitor of EHMC;
 - A fiduciary relationship (e.g., Board member or trustee) with: (1) an entity with which EHMC has entered (or is negotiating to enter) a transaction or arrangement; (2) an entity that is a competitor or potential competitor of EHMC;
 - A personal relationship with an individual who has a business, financial, or fiduciary relationship as defined above. A personal relationship means a relative of the individual, including a spouse, domestic partner, parents, brothers and sisters, children, grandchildren, great grandchildren, and spouses of parents, brothers, sisters, children, grandchildren, and great grandchildren. Relationship shall be by blood, marriage/domestic partnership, or adoption.
 - Any interest in a company through publicly-traded stocks, bonds or mutual funds available to the general public shall not constitute an Interest, provided the ownership or investment interest is less than one percent of the company’s shares.
2. Conflict of Interest. A conflict of interest arises whenever the Interest of a person competes with or has the potential to compete with the best interests of EHMC. A conflict is presumed to exist if a person with an Interest is involved in any way in the transaction or arrangement in which he or she has such Interest.

iii. Affirmative Disclosure Requirements

Any Interest shall be fully disclosed by any individual regardless of whether or not a conflict of interest is determined to exist.

1. Annual Disclosures. EHMC requires that all employees, officers, Board members, agents, and candidates for Board membership disclose in writing, and update at least annually: (1) all Interests described in Section 1.f.2. that may create an actual or potential conflict of interest,

and (2) where applicable, provide a statement suggesting how such conflict could be avoided or mitigated.

In order to facilitate such full disclosure, EHMC requires employees, officers, Board members, agents, and candidates for Board membership to complete the Disclosure Form attached as Exhibit A upon hire or appointment. Completion of a Disclosure Form does not relieve individuals of the obligation to comply with these Standards of Conduct regarding disclosure of Interest that may occur after the filing of the Disclosure Form (e.g., with respect to a particular transaction).

2. Additional Interests. EHMC requires all employees, officers, Board members, agents, and candidates for Board membership to disclose additional Interests that arise after the filing of the Disclosure Form.
 - Members of, and candidates for membership on, the Board of Directors shall make disclosures to the Corporate Compliance Officer. The Corporate Compliance Officer shall notify the Board of Directors of any declared interest.
 - The CEO shall make disclosures to the President of the Board who will be responsible for advising the Board of such disclosure.
 - Staff shall make disclosures in writing to the CEO.

In accordance with the New York State Not for Profit Corporation Law, the Corporate Compliance officer shall review all disclosure forms where the form indicates a conflict exists.

iv. Determining Whether a Conflict of Interest Exists

In the case of a potentially conflicted person who is a Board member, the conflicted person may make a presentation to the Board regarding whether he or she has a conflict and may respond to related questions from the Board. However, after such presentation, he or she shall leave the meeting during any discussion of, or vote on, whether a conflict of interest exists, and if such conflict is determined by the Board to exist, he or she shall leave the meeting during any discussion of, and voting on, the transaction or arrangement that involves the conflict of interest. The minutes of all meetings shall reflect that the individual with the actual or potential conflict of interest was absent from the meeting for any discussion or vote.

v. Procedure for Addressing the Conflict of Interest

1. Procurement. If the conflict involves EHMC procurement, the process shall be conducted in accordance with EHMC's Procurement Policy.
2. Alternative Arrangements. In instances other than procurement, the Board shall, as it may deem appropriate, appoint the CEO or a

committee of the Board to investigate alternatives to the proposed transaction or arrangement and make recommendations. The CEO shall notify the Board of his/her findings and the Board shall then, after due diligence, decide if the conflicted arrangement is reasonable and in EHMC's best interest. Such decision shall be made by a majority vote of the Board.

3. EHMC's Best Interest. If a transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Board or CEO, as applicable, shall determine (if Board, then by a majority vote of the entire Board members) whether, notwithstanding the conflict of interest, the transaction or arrangement is in EHMC's best interest, for its own benefit and whether the transaction is fair and reasonable to EHMC such that it would constitute an "arms-length" transaction and be consistent with 45 C.F.R. Part 75.327 standards and the Nonprofit Revitalization Act of 2013 and as subsequently amended.
4. Pervasive Conflicts of Interest. In circumstances where there are material continuing or pervasive conflicts of interest, an individual may be required by the Board or the CEO, as applicable, to resign from his or her position with EHMC unless the individual, family member, or business associate chooses to disassociate from the outside position that causes the conflict.

vi. Violations of the Standards of Managing Conflicts of Interest

If the Board or CEO, as applicable, has reasonable cause to believe that a person has failed to disclose an interest, the person shall be informed of the basis for such belief and allowed an opportunity to explain the alleged failure to disclose.

If, after hearing the response of the individual who failed to disclose an interest, and making such further investigation as may be warranted in the circumstances, the Board or CEO determines that the individual has in fact failed to disclose an interest in accordance with this policy and EHMC's Conflict of Interest policy, appropriate corrective and/or disciplinary action shall be taken, including removal of the individual from the selection, negotiation, or administration of any contracts or grants or removal or termination of his/her position with EHMC.

vii. Recordings of Proceedings

The minutes of the Board and all Board committees and those records as determined by the CEO, where potential or actual conflicts of interest were discussed shall contain:

The nature of the potential or actual conflict of interest, the names of the persons who were present for discussions and votes relating to the transaction or arrangement, and the names of the persons who removed themselves during deliberations and vote, the content of the discussion, including any alternatives to the proposed transaction or arrangement or EHMC's best interest, and a record of any votes taken in connection therewith.

g. Political Activities

No staff may participate or intervene in any political campaign in support of or in opposition to any candidate for elected public office while at work or using work resources. No Board member may participate or intervene in any political campaign in support of or in opposition to any candidate for elected public office utilizing his/her position as an EHMC Board member. A political campaign is deemed to begin when an individual announces his or her candidacy for an elective public office or is proposed by others for an elective public office. No employee, officer, Board member, or agent may use EHMC's name, facility, or any resources in connection with political campaign activities. This does not prohibit an individual from involvement in political activities during non-working hours.

h. Lobbying

Lobbying is generally defined as a communication (written or oral) that is an attempt to influence (for or against) specific legislation, including appropriations. Any lobbying activities proposed to be undertaken by EHMC or by any staff on behalf of EHMC shall require the prior approval of the CEO. Any staff undertaking lobbying activities will work with the CEO, or his or her designee, to ensure compliance with all regulatory areas, including ensuring that all disclosures and reporting of lobbying activities which are required by State or Federal law are submitted in a timely manner. All activities need to comply with limitations as set by the IRS related to the 501(c)3 tax exempt status and the Office of the New York State Attorney General Charities Bureau.

i. Advocacy

Advocacy is educating elected officials regarding specific Legislation and how a vote for or against the Legislation may impact federally qualified health centers. Advocacy is NOT requesting an elected official to vote in a specific way on a specific piece of legislation. This also does not involve a request, but rather providing education.

2. Violations of Standards of Conduct

Employees, officers, Board members, and agents must promptly report concerns regarding compliance with these Standards of Conduct. Such a report should normally be made initially through standard management channels, beginning for staff, with the staff member's immediate supervisor. For Board members, officers, and agents' reports should be made directly to the Compliance Officer. As an alternative for staff, reports may also be made to the Compliance Officer. Such reports may be made confidentially, and anonymously. Raising such

concerns in good faith is a service to EHMC and will not jeopardize the term and conditions of employment or Board service of the reporting individual.

All employees, officers, Board members, and agents must cooperate fully in the investigation of any alleged misconduct. Any employees, officers, Board members, or agents who intentionally make false accusations or based on investigation findings regarding a compliance concern are subject to discipline up to termination.



Conflict of Interest Disclosure Statement

The conflict of interest policy includes a provision that sets forth standards of conduct expected and requiring Board members, management, and employees to disclose all personal interests that could result in a conflict.

In accordance with East Hill Medical Center's Conflict of Interest Policy, a conflict of interest is defined as: Any situation in which financial or other personal considerations may compromise or appear to compromise (1) an employee's business judgment; (2) delivery of services; or (3) ability for an employee to do their job. An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a relative as a result of business dealings.

Please complete and return the enclosed conflict of interest disclosure statement. Please be assured that the disclosure requirements are intended to provide the Board and management with a systematic and ongoing method of disclosing and ethically resolving potential conflicts of interest. Although it is impossible to list every circumstance giving rise to a possible conflict of interest, the following will serve as a guide to the types of activities that might cause conflicts and that should be fully reported:

A. Outside Interests

- a. To hold, directly or indirectly, a position or a financial interest in any outside concern from which the individual has reason to believe East Hill secures goods or services (including the services of buying or selling stocks, bonds, or other securities), or that provides services competitive with the system.
- b. To compete, directly or indirectly, with East Hill in the purchase or sale of property or property rights, interests, or services.

B. Outside Activities

To render directive, managerial, or consultative services to any outside concern that does business with, or competes with the services of East Hill, or to render other services in competition with East Hill Medical Center.

C. Inside Information

To disclose or use information relating to the East Hill’s business for the personal profit or advantage of the individual or their immediate family.

D. Gifts, Gratuities, and Entertainment

To accept gifts, excessive entertainment, or other favors from any outside concern that does, or is seeking to do, business with, or is a competitor of, East Hill Medical Center during circumstances in which it might be inferred that such action was intended to influence or possibly would influence the individual in the performance of their duties.

I have been provided with a copy of East Hill Family Medical’s Conflict of Interest Policy.

I hereby state that I, or members of my immediate family, have the following affiliations or interest and have taken part in the following transactions that, when considered in conjunction with the position with or relation to the East Hill, might possibly constitute a conflict of interest. (Check “None” where applicable)

1. Outside Interests

Identify in the space below any interests, other than investments, of yourself or your immediate family, as described in the paragraph A of the accompanying document.

() None

2. Investments

In the space below, list and describe, with respect to yourself or your immediate family, all investments that might be within the category of “financial interest,” as described in paragraph A of the accompanying document.

() None

3. Outside Activities

Identify any outside activities, of yourself or your immediate family, as described in paragraph B of the accompanying document.

() None

4. Other

List any other activities in which you or your immediate family are engaged in that may be regarded as constituting a conflict of interest, giving particular attention to the paragraphs B and C of the accompanying document.

() None

I hereby certify that neither I, nor any member of my immediate family, have accepted gifts, gratuities, or entertainment that might influence my judgment or actions concerning the business of East Hill Medical Center, except as listed below:

() None

The following circumstances may possibly violate the Code of Conduct.

() None

List any family members or significant others employed by East Hill Medical Center or serving as a member of the East Hill Family Medical's Board of Directors.

Name	Relationship
------	--------------

I hereby agree to report to management or the Compliance Officer any future situation that may result in a conflict of interest.

Print Name

Title

Signature

Date