

CORPORATE COMPLIANCE PROGRAM

This program provides a standard for ethical behavior and a reporting system for notifying management of potential ethical breaches. The organization's legal board adopted the formalized compliance program, which consists of written policies, procedures, and a code of conduct designed to prevent violations of applicable laws, regulations, policies and procedures. In addition it is designed to detect and correct violations, should they occur.

You may find the entire compliance program on Adventist Health's Roseville Connect Intranet page at: <https://connect.ah.org/portal/site/admin> under the Corporate Compliance Department "Compliance Program" folder or on Adventist Health's web page under "About Us:" <http://www.adventisthealth.com/aboutus/goDocDocument.asp?CN=3&DID=970> .

Adventist Health is a highly regarded healthcare provider. Our reputation has been achieved through the dedication of individuals committed to quality, honesty and fairness. Each of us is responsible for continuing to protect and enhance that reputation for the future. The Adventist Health Code of Conduct is based on the biblical counsel to treat others as we would have them treat us. Great effort is taken to ensure that as officers, employees, contractors or volunteers of Adventist Health and its affiliates, we conduct ourselves with integrity in accordance with all applicable laws and ethical business standards.

The material that follows is Adventist Health's formalized Code of Conduct, which in turn is followed by a brief description of the Federal and State laws addressing false claims and whistleblower protections.

ADVENTIST HEALTH CORPORATE CODE OF CONDUCT

Mission -- Adventist Health's mission is to share God's love by providing physical, mental, and spiritual healing.

Adventist Health ("AH") and its Affiliates, in keeping with their mission, strive to conduct themselves in accordance with strong business ethics and in compliance with all applicable laws. This Code of Conduct is upheld through the integrity and ethical practices of our officers, employees, contractors, and agents.

To maintain its standards in an increasingly regulated business environment, AH has established this formal Code of Conduct, which provides general guidelines on how AH and its Affiliates will conduct business. As such, this Code of Conduct governs the conduct of *all* employees and contractors of AH and its Affiliates. Knowledge of and adherence to these standards allows AH to continue serving its patients and communities in a professional, caring, and ethical manner.

Compliance with Laws -- AH policy requires AH and its Affiliates, officers, directors, employees, contractors, and agents to comply with all applicable laws, including Federal and State health care program requirements. Failure to do so exposes AH organizations' officers, directors, employees, contractors, and agents to possible sanctions, monetary penalties, criminal prosecution and other disciplinary actions. When the application of a law is uncertain, AH or its Affiliates will seek appropriate guidance.

Reporting of Violations -- AH and its Affiliates support and encourage any officer, director, employee, contractor, or agent to maintain individual responsibility for monitoring and reporting any activity that appears to violate any applicable laws, rules, regulations, policies and procedures, or this Code of Conduct. In order to provide every avenue possible in which to raise their concerns, AH and its Affiliates have established a confidential reporting mechanism that includes anonymous reporting if the person making the report so desires. Using this mechanism does not, however, relieve an individual of his other obligation to utilize the organization's grievance and arbitration procedures, if the matter is covered by such a procedure.

Anyone who becomes aware of a violation of any laws, including Federal and State health care program requirements, company policies and procedures, the AH Corporate Compliance Program, or this Code of Conduct is expected to report the improper conduct. This reporting can be accomplished either verbally or in writing through a supervisor, the local compliance officer, compliance report form, hotline, (888) 366-3833, or the AH Corporate Compliance Officer, (877) 336-3566. The local compliance officer, with assistance from the AH Corporate Compliance Department, will investigate all reports and ensure that proper follow-up actions are taken. AH policy prohibits any organization or individual from retaliating against a person who makes a complete and accurate report in good faith.

It is the policy of AH and its Affiliates that employees shall not be punished for reporting what they reasonably believed to be an act of wrongdoing or a violation of the AH Corporate Compliance Program.

However, an employee will be subject to disciplinary action if their employer reasonably concludes that the report of wrongdoing was knowingly fabricated by the employee or was knowingly distorted, exaggerated or minimized to either injure someone else or to protect or benefit the reporting employee.

Conflicts of Interest -- AH and its Affiliates require officers, directors, employees, contractors, and agents to exercise individual loyalty to AH in fulfilling their responsibilities. These individuals must avoid any situation where a conflict of interest exists or might appear to exist between their personal interests and those of AH or its Affiliates. The *appearance* of a conflict may be as serious as an *actual* conflict of interest. If a conflict of interest exists or appears to exist, the individual must follow the conflict of interest procedures adopted by the AH organization, a copy of which is available.

Examples of Applicable Laws -- Although it is not practical to list all laws, including Federal and State health care program requirements, to which AH and its Affiliates are subject, the following are examples of the more common laws subject to this Code of Conduct.

Patient Admission and Transfer -- Admission to an AH facility should be based strictly upon medical necessity. Only an appropriately licensed person should determine whether to admit a patient to an AH facility. AH management should ensure that facility personnel and medical staff members are never pressured to admit patients inappropriately and that patients are admitted only on the basis of medical need.

A patient should not be transferred from an AH facility if such transfer threatens the patient's health or is in violation of law. If applicable, each AH facility shall adopt patient transfer protocols.

Payment for Referral -- AH and its Affiliates do not offer, pay or receive payments in exchange for the referral of a patient or other business. AH and its Affiliates only pay people or entities for actual items or services provided to the organization or community. AH and its Affiliates do not offer or provide illegal benefits, whether cash or non-cash, to any physician or health professional.

Accuracy in Billing -- AH and its Affiliates are committed to prepare and submit accurate claims for medically necessary services rendered. All bills must be accurate and conform with federal and state laws and regulations.

Accuracy in Coding -- AH Affiliates maintain the integrity of patient records and are committed to accurately code patient records to reflect the actual services provided to patients in their care.

Marketing Activities -- AH and its Affiliates must comply with all state and federal requirements regarding marketing.

Political Activities -- Although officers, directors, employees, contractors, and agents are encouraged to participate freely and actively in the political process, they should ensure that their political activities are lawful and separate from their activities as an employee or contractor of AH or an Affiliate. Personal political activities must not unreasonably interfere with the individual's ability to perform his or her duties for the AH organization, and must be consistent with applicable laws, rules, regulations and the policies set forth in this Code of Conduct.

Patient Rights Laws -- AH and its Affiliates are committed to abiding by all applicable laws, rules and regulations regarding and protecting their patients' rights, including confidentiality and other rights.

FEDERAL AND STATE FALSE CLAIMS ACTS

Federal and state false claims acts prohibit any person or entity from, among other things, knowingly presenting, or causing to be presented, a false or fraudulent claim for payment or approval, or knowingly making or using, or causing to be made or used, a false record or statement to get a false or fraudulent claim paid or approved.

- The penalties for violating the federal or state false claims acts include:
- Civil monetary penalties of up to \$10,000 for each false claim submitted;
- Three times the amount of damages which the government sustains because of the false claim; and
- The costs of the legal action brought to recover for the false claim.

A private citizen may file suit under the federal and state false claims acts on behalf of the government if the citizen has direct and independent knowledge of the submission of a false claim. The government will then decide whether to intervene and take over the case, dismiss or settle the case, or let the private individual pursue the case on his or her own. In either case, the person who initially filed the case may receive a portion of the amount recovered in either litigation or settlement of the claim.

YOUR LOCAL COMPLIANCE OFFICER CAN PROVIDE MORE DETAILED INFORMATION REGARDING THE PROTECTIONS AFFORDED EMPLOYEES UNDER THE FEDERAL AND STATE FALSE CLAIMS ACTS.

WHISTLEBLOWER PROTECTIONS

Both the federal and state false claims acts prohibit employers from retaliating or discriminating against an employee who, acting in good faith, investigates, reports or assists in uncovering a false claim or statement.

An employee who suffers discrimination or retaliation based on protected activities has the right to sue under the both the federal and state false claims acts. If the employee can prove that his or her employer retaliated against him or her for engaging in protected activity, the employee is entitled to be “made whole.” The remedies may include:

- reinstatement of the employee to his or her position,
- two times the amount of back pay,
- interest on the back pay, and
- compensation for any special damages (including litigation costs and reasonable attorneys’ fees).

As noted above, it is the policy of Adventist Health and its affiliates that no employee shall be punished solely on the basis that he or she reported what he or she reasonably believed to be an act of wrongdoing or a violation of the Adventist Health Corporate Compliance Program.

YOUR LOCAL COMPLIANCE OFFICER CAN PROVIDE MORE DETAILED INFORMATION REGARDING THE PROTECTIONS AFFORDED EMPLOYEES UNDER THE FEDERAL AND STATE FALSE CLAIMS ACTS.