Code of Ethics and Compliance
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Dear Driscoll Colleagues:

Driscoll has a long-standing commitment to excellence and integrity in the delivery of first-class care. Our strong culture of compliance ensures our actions are consistent with the highest ethical standards. Each and every day, our employees, providers, students, volunteers, and other representatives take individual and collective ownership of the responsibility to behave ethically and compliantly. It is this shared goal that allows Driscoll to continue to advocate and care for children in the communities that we serve.

The Code of Ethics and Compliance sets forth the standards and the principles that we all must follow. It is designed to supplement the many other Driscoll policies and procedures that guide our activities. While the Code aims to be thorough, no set of standards can adequately anticipate every situation you may encounter. If you see something, say something. If you have a question or concern about an action, please feel free to reach out to us without fear of retaliation.

Please take a moment to review the Code and commit yourself to the standards therein. We also welcome your feedback on opportunities to improve our ethics and compliance program. Remember, ethics and compliance is about doing “the right thing, at the right time, for the right reason.”

Thank you for your personal role in carrying out Driscoll’s mission, and for earning the trust of all who rely upon us by your commitment to honesty, transparency and ethical behavior.

Sincerely,

Jennifer Henderson
Vice President, General Counsel,
and Chief Ethics and Compliance Officer (CECO)
INTRODUCTION

Our Family of Companies

Driscoll Children’s Health consists of:
• Driscoll Children’s Hospital
• Driscoll Children’s Health Plan
• Driscoll Affiliated Physicians Group, Children’s Physicians Services of South Texas (CPSST)
• Driscoll Development Foundation
• Driscoll Children’s Hospital Auxiliary
• Driscoll Health Services

Collectively we are Driscoll, a family of companies working together to deliver superior care and advance new discoveries and treatments through our dedicated and compassionate employees.

Mission, Vision, and Core Values

Mission: Devoted to expert care, education, outreach, and advocacy.

Vision: Until all children are well.

Core Values: Driscoll CARES:
• Compassion.
• Advocacy.
• Respect.
• Excellence.
• Stewardship.
Purpose of Our Code of Ethics and Compliance

Driscoll established a Code of Ethics and Compliance to help create and maintain a culture of integrity and to clearly and concisely outline the types of behaviors that are expected in the workplace. It is the responsibility of all employees, providers, students, volunteers, and other representatives (collectively, “Driscoll representatives”) to act in a manner consistent with this Code and to hold others accountable to its terms and related policies. All Driscoll representatives have an obligation to and are required to report violations of the Code. Driscoll has established a procedure that allows Driscoll representatives to safely report unethical and illegal actions, without fear of reprisal. Acts of retaliation or consequence targeted at any person who reports Code violations will not be tolerated and will result in disciplinary action. The standards of conduct summarized below will help to foster a positive environment for all Driscoll representatives and a culture that optimizes patient and member care, quality, and safety.

Standards of Conduct

Driscoll has adopted these standards to help us put our core values into practice:
• We shall uphold the values of Driscoll through excellence and innovation, patient/member-centered care, teamwork, collaboration, respect and diversity, and leadership.
• We will deliver patient and member care, research, education, and support work with professional competence, intellectual honesty, and high ethical standards.
• We promote the communication of rights, responsibilities, and information to foster informed decision making to provide the highest quality of care and safety.
• We treat all internal and external members of the community with respect and dignity and without discrimination.
• We strive to deliver excellent quality care to our patients and members.
• Integrity, both personal and professional, is and always has been our most important asset.
• We demand ethical conduct in all our activities.
• We care not only for the end result, but also how we achieve that result.
• Our relationships with our patients, members, other professionals, and vendors are essential to our business. They must be built upon credibility and mutual respect.
• When confronted with a choice, we do the right thing.
• When in doubt about the rules, we ask.
• We are committed to an environment that fosters communication and partnerships among patients, members, families, and other Driscoll representatives.
• We strive for excellence in family-centered care, quality, responsible research, cultural competency and workplace engagement.
Driscoll has a 60 plus-year tradition of ethical conduct and service, which is evident in its robust Ethics and Compliance Program designed to prevent and detect suspected or potential violations. The Program is intended to demonstrate in the clearest possible terms the absolute commitment of Driscoll to the highest standards of integrity, ethics, and compliance and establish accountability for the adherence and maintenance of the Program. This commitment applies to all levels of the organization. The Program outlines what we do as an organization to comply with legal and ethical requirements, including:

- Establishing compliance and ethical standards through written policies, procedures, and our Code;
- Communicating those standards through awareness, education, and training;
- Communicating the available ways in which to report potential violations;
- Conducting ongoing auditing and monitoring;
- Identifying, investigating, and responding to potential compliance violations;
- Performing routine sanction checks to ensure we are not conducting business with individuals or companies ineligible to participate in federal or state healthcare programs;
- Identifying and managing actual, potential, or perceived conflicts of interest;
- Providing discipline consistently for non-compliant actions; and
- Maintaining an organizational structure that supports the furtherance of the Program, including the establishment of a CECO, ethics and compliance personnel, and ethics and compliance committees.
RESPONSIBILITIES AND ACCOUNTABILITIES

Individual Responsibilities

All Driscoll representatives are responsible for:
• Behaving in an ethical and legal manner that is consistent with all relevant laws and regulations.
• Assuming individual responsibility and accountability for your own actions.
• Reporting any activity by any Driscoll representative that appears to violate applicable laws, rules, regulations, or this Code.

Leadership Responsibilities

Driscoll expects its leaders to set the example to help create a culture within Driscoll which promotes the highest standards of ethics and compliance and to encourage everyone in the organization to raise concerns when they arise. Leaders must ensure that those on their team have sufficient information to comply with applicable laws, regulations, and policies as well as the resources to resolve dilemmas. Driscoll must never sacrifice ethical and compliant behavior in the pursuit of business objectives.

Ask yourself…
• Are my decisions and actions based on Driscoll’s mission, vision, and core values?
• Am I acting responsibility, professionally, and ethically?
• Am I communicating respectfully and professionally?
• Do I consistently follow Driscoll’s policies and procedures?
• Am I demonstrating compliance with applicable laws and regulations?
• Would I be comfortable reading about my decision in the newspaper or online?
• Could this harm a patient or member?
• Could this harm another Driscoll representative?
• Could this harm Driscoll’s eligibility to participate in government programs?
INTEGRITY IN PATIENT AND MEMBER CARE

Quality Care and Patient/Member Rights

Driscoll’s primary responsibility is to care for the sick. All Driscoll representatives strive at all times to provide the highest quality care to Driscoll patients and members. All patients and members are treated with dignity, respect, and courtesy. In all aspects of care, the patient’s and member’s background, culture, religion, and heritage are considered and respected. Upon admission, each patient receives a written statement outlining his or her rights and responsibilities. Similarly, each health plan member receives a written statement in his or her DHP Welcome Packet. This statement includes the rights of the patient or member to make informed decisions regarding his or her medical care and will conform to all applicable law.

Emergency Medical Treatment and Labor Act (EMTALA)

Driscoll adheres to EMTALA in providing a medical screening examination (“MSE”) by a qualified member of the medical staff within the capability of Driscoll’s Emergency Department to individuals who present to Driscoll to determine whether or not a emergency medical condition (“EMC”) exists and provide any necessary stabilizing treatment or an appropriate transfer regardless of the individual’s diagnosis or ability to pay.

Health Insurance Portability and Accountability Act (HIPAA)

HIPAA establishes a set of national privacy standards for the protection and privacy of patient and member health information and requires appropriate administrative, physical, and technical safeguards to ensure the confidentiality, integrity, and security of protected health information (“PHI”) and electronic PHI (“ePHI”). Driscoll adheres to federal and state patient and member privacy laws and regulations and implements and makes available to its representatives HIPAA and information security policies that cover such topics as, among others, the requirements regarding the use and disclosure of PHI and ePHI, encryption, password management, and workstation use and security.
Confidentiality

Confidential information regarding our organization’s patients and members, strategies, operations, and financial matters is a valuable asset. Driscoll representatives must commit to maintaining and protecting the privacy and confidentiality of patient and member information and Driscoll business proprietary information that they may gain as part of their relationship with Driscoll. Driscoll representatives will keep all information learned about Driscoll in the strictest confidence. Failure to do so may result in immediate disciplinary action or termination of the relationship.

Confidential Information is... any information that Driscoll is legally or ethically obligated to protect and where the unauthorized disclosure or alteration would have a negative impact to Driscoll and/or the patient, member, or individual subject of the information. Confidential information includes, but is not limited to:

• PHI, ePHI, and individually identifiable health information (IIHI);
• Limited data sets;
• Records of conversations, admitting information, financial information, and all other patient and member information;
• Associate, physician, provider, and volunteer salary, employment, personnel health, disciplinary actions, and other information;
• Driscoll financial and statistical records, strategic business plans, internal reports, memos, contracts, peers review information, communications, and other business and financial information;
• Information relating to Driscoll and information proprietary to other companies or persons that Driscoll has and/or used in connection with Driscoll operations to include computer programs, client and vendor proprietary information, source code, technology, etc.; and
• Trade secrets and other information relating to Driscoll operations.
INTEGRITY IN BILLING AND FINANCIAL MATTERS

Accurate Coding and Billing

We are committed to ethical and lawful coding and billing practices. All claims and requests for reimbursement and all documentation supporting such claims will be complete, accurate, and reflect reasonable and necessary services.

Common concerns associated with claims preparation and submission include...

- Inaccurate or incorrect billing;
- Upcoding;
- Unbundling of services;
- Billing for medically unnecessary services;
- Billing for services that were not provided;
- Double or duplicate billing;
- Insufficient documentation;
- Failing to abide by applicable admission and discharge rules and regulations;
- Improperly submitted supplemental payment claims; and
- False or fraudulent claims; cost reports.

The Deficit Reduction Act ("DRA") of 2005 contains provisions that affect Driscoll, including requiring employee education about false claims recoveries and whistleblower protections. Federal and state false claims acts are used to discipline healthcare providers who knowingly submit false claims or knowingly make false statements to Medicaid or other federal and state funded healthcare programs. Civil penalties can be imposed per claim as well as potential exclusions from participation in Medicaid and other government funded healthcare programs. If you are aware of any false claims, you should immediately report such violations to the Ethics and Compliance Department. In addition, federal and state law prohibit any retaliation or retribution against persons who report suspected violations of these laws or who file “whistleblower” lawsuits on behalf of the government. Anyone who believes that he or she has been subject to any such retaliation or retribution should also report this to the Ethics and Compliance Department.
Financial Records and Reporting

Driscoll has established and must maintain a high standard of accuracy and completeness in our financial records. These records serve as the basis for managing the business, for measuring and fulfilling our obligations to patients and members, employees, suppliers and others, and for compliance with tax, regulatory, and financial reporting requirements. Driscoll will comply with the reporting requirements of applicable law, established financial standards, and generally accepted accounting principles.

The financial matters of Driscoll, its representatives, patients, and members are very private. Driscoll representatives should not reveal these matters to outside parties without permission from the organization’s Chief Executive Officer (CEO) or Chief Financial Officer (CFO).
INTEGRITY IN BUSINESS CONDUCT

Personal Use of Driscoll Assets and Resources

Driscoll assets and resources are to be maintained for business-related purposes to further Driscoll’s mission. As a general rule, Driscoll representatives should not use Driscoll assets or resources without the prior approval of Driscoll management. In addition, any community or charitable use of Driscoll assets or resources must be approved in advance by the Driscoll representative’s chain-of-command. Any use of Driscoll assets or resources for personal financial gain unrelated to Driscoll’s business is prohibited.

Driscoll assets and resources include…

• Supplies;
• Equipment;
• Information;
• Time; and
• Materials.

Intellectual Property

Intellectual property (“IP”) is created by any invention, discovery, work, or authorship protected by patent, copyright, trademark, or trade secret and is protected by federal and state laws. Suspected or potential violations of IP laws may result in civil damages or criminal charges for both Driscoll and the individuals involved. Examples of suspected or potential violations of IP laws include but are not limited to: (i) installing software programs on more than one (1) computer when it was sold for only one (1) computer; (ii) or copying, by machine or hand, all or part of a journal, magazine, or newsletter without the publisher’s permission, the original should be circulated within a group or several subscriptions purchased.

Inventions, materials, documents, publications, logos, or techniques created by Driscoll representatives during the course and scope of their employment or service at Driscoll are the property of Driscoll unless there is a written agreement with Driscoll stating differently. Driscoll inventions, materials, documents, publications, logos, or techniques will not be used by any individual for private purposes without prior consent of Driscoll management.
Political Activities

Driscoll’s political participation is limited by law. Driscoll funds or resources are not to be used to contribute to political campaigns or for gifts or payments to any political party or any of their affiliated organizations without prior consent of the CECO or CEO. Driscoll resources include financial and non-financial donations such as using work time and telephones to solicit for a political cause or candidate. Driscoll representatives participating in political activities must: (i) avoid using his or her position to gain personal benefit or benefit for Driscoll; (ii) comply with all laws relating to political activities; (iii) conduct all relationships with public officials, candidates, and government employees in an ethical and honest manner; and (iv) provide complete and accurate information.

As an individual, you may participate in political activities on your own time and at your own expense. While doing so, you must not (i) use Driscoll time or assets and resources to perform political activities; (ii) speak on behalf of Driscoll; or (iii) use Driscoll’s name or logo on letters or other written materials supporting candidates or causes.

Antitrust Laws

Federal and state antitrust laws protect the integrity of our free enterprise system. These laws address agreements and practices resulting in the restraint of competition including boycotting suppliers, discussing pricing or patients with competitors, implementing unfair or deceptive business practices and misrepresenting services. These laws may affect our dealings with patients, doctors, payers, suppliers, and competitors of Driscoll.

In general, avoid discussing prohibited subjects with competitors or suppliers, unless proceeding with the advice of the CECO or designee. Driscoll representatives must not provide any information in response to oral or written inquiry concerning an antitrust matter without first consulting the Ethics and Compliance Department.

Prohibited subjects include Driscoll’s…

- Pricing;
- Services within the market; and
- Key costs (i.e., labor costs and marketing plans).
Conflicts of Interest

An actual, potential, or perceived conflict of interest occurs in those circumstances where an individual’s judgment could be affected because the individual has a personal interest in the outcome of a decision over which the individual has control or influence. A personal interest exists when an individual or a member of his or her family stands to directly or indirectly gain as a result of a decision. Driscoll representatives are obligated to ensure that they remain free of conflicts of interest in the performance of their duties and responsibilities at Driscoll. For questions regarding whether or not an outside activity might constitute a conflict of interest should be directed to the Driscoll representative’s chain-of-command or the Ethics and Compliance Department.

Non-Employee Gifts, Gratuities, and Business Courtesies

Receiving:
Driscoll representatives must not solicit or accept any type of personal gift, gratuity, or form of entertainment from patients, members, parents, families, visitors, or any individual or organization with which it conducts business with, including providers. There are times, however, when it would not be appropriate to refuse a token of appreciation. In this instance, Driscoll representatives may only accept gifts valued at $50.00 or less. Driscoll representatives may never accept cash or cash equivalents, such as gift cards or certificates. There are certain limited exceptions to this rule, for example, Driscoll fund raising, recruiting or community relationship development opportunities, where Driscoll management or other designated Driscoll representatives may accept invitations to certain social events. These identified exceptions to the rule are subject to advance case-by-case approval by the Board or CEO.

Giving:
Driscoll representatives must avoid the appearance of impropriety when giving gifts to individuals who do business or are seeking to do business with Driscoll. Driscoll does not use gifts or other incentives to improperly influence relationships or business outcomes. Gifts to business associates who are not government employees must not exceed $10.00 per year per recipient. Driscoll representatives may never give cash or cash equivalents, such as gift cards or certificates. Driscoll may from time to time provide modest flexibility in order to permit appropriate recognition of the efforts of those who have spent meaningful amounts of volunteer time on behalf of Driscoll.
U.S. federal and state governments have strict rules and laws regarding gifts, meals, and other business courtesies for government employees. Driscoll representatives must determine the particular rules applying to any such person and carefully follow them.

**Relationships With Other Driscoll Representatives**

In the normal day-to-day functions of Driscoll, there are issues that arise which relate to how Driscoll representatives deal with one another. It is impossible to foresee all such issues as many do not require explicit treatment in this document. However, a few routinely arise, such as gift giving among Driscoll representatives for certain occasions. While Driscoll wishes to avoid any strict rules, no one individual should feel compelled to give a gift to anyone, and any gifts offered or received should be appropriate to the circumstances. Lavish gifts to anyone in supervisory or management roles are prohibited. Additionally, no one should ever feel compelled to participate in fund-raising or similar efforts.

**Marketing and Advertising**

Driscoll represents itself fairly and honestly though its marketing and advertising, stressing its value and the capabilities of its services. Driscoll informs the community of the availability and value of our services and products, provides educational information about personal health, and informs the public of its views on public policy issues related to health care. Driscoll’s advertising will be honest and accurate and, when presenting views on issues, clearly distinguish opinion for factual data. It will not disparage, demean or caricature competition, customers, or patients or exploit patient/member fears as a key-motivating factor.

**Gathering Information About Competitors**

It is not unusual to obtain information about other organizations, including Driscoll’s competitors, through legal and ethical means such as public documents, presentations, journal and magazine articles, and other published and spoken information. However, it is not acceptable to obtain proprietary or confidential information about a competitor through illegal means. It is also not acceptable to seek proprietary or confidential information when doing so would require anyone to violate a contractual agreement, such as a confidentiality agreement with a prior employer.
Third-Party Procurement

Driscoll is committed to managing its subcontractor and supplier relationships in a fair and reasonable manner, consistent with all applicable laws and good business practices. Driscoll promotes competitive procurement to the maximum extent practicable. The selection of subcontractors, suppliers, and vendors will be made on the basis of objective criteria including quality, technical excellence, price, delivery, adherence to schedules, service, and maintenance of adequate sources of supply. Purchasing decisions will be made based on the supplier’s ability to meet Driscoll’s needs, and not on personal relationships and friendships. Driscoll will employ the highest ethical standards in business practices in source selection, negotiation, determination of contract awards, and the administration of purchasing activities.

Audits, Investigations, and Accreditation Bodies

We cooperate with and are courteous to any authorized government or other inspectors and provide them with the information to which they are entitled during an audit or inspection. In order to validate any request to access Driscoll premises, documents or Driscoll representatives, Driscoll representatives should immediately report all requests by anyone holding himself or herself out as a government representative or employee, an attorney, or investigator to their chain-of-command and await further instructions before proceeding with any requests for information. The applicable chain-of-command should will immediately contact the Ethics and Compliance Department and General Counsel. Driscoll representatives should never conceal, destroy, or alter any documents, lie, or make misleading statements, fail to provide accurate information or obstruct, mislead, or delay the communication of information or records relating to a possible violation of law or cause another Driscoll representative to do so.

Further, Driscoll deals with all accrediting bodies in a direct, open, and honest manner. No action should ever be taken in relationships with accrediting bodies that would mislead the accreditors or its survey teams, either directly or indirectly. The scope of matters related to accreditation by various bodies is extremely significant and broader than the scope of this Code.
Research Compliance

Driscoll is committed to ethical and lawful research practices. Any research conducted by Driscoll providers and professional employees will follow high ethical standards and is consistent with all applicable laws and regulations. Driscoll does not tolerate intentional research misconduct including, but not limited to, making up or changing results or copying results from other studies without performing the research.

All patients asked to participate in a research project are given a full explanation of alternative services that might prove beneficial to them. They are also fully informed of potential discomforts and are given a full explanation of the risks, expected benefits, and alternatives. The patients are fully informed of the procedures to be followed, especially those that are experimental in nature. Refusal of a patient to participate in a research study will not compromise their access to services.

All providers and professional employees applying for or performing research of any type are responsible for maintaining the highest ethical standards in any written or oral communications regarding their research projects as well as following appropriate research guidelines and protocols. As in all accounting and financial record keeping, only true, accurate, and complete cost reports related to research grants will be submitted.
INTEGRITY WITH REFERRAL SOURCES

Driscoll strictly adheres to applicable laws regarding referral sources. Any business arrangement with a potential referral source including providers, hospitals, ambulance services, managed care organizations, and other healthcare organizations and services providers must be structured to ensure precise compliance with legal requirements to include, without limitation, the Stark Law and the Federal Anti-kickback Statute. Such arrangements will be in writing and approved by the Legal Department and the CEO.
OUR DUTY TO REPORT AND COOPERATE WITH INVESTIGATIONS

Reporting Violations

In 1999, Driscoll established the Driscoll Integrity Help Line (1-888-874-0713), a confidential and anonymous toll-free number available 24 hours a day, 7 days a week for Driscoll representatives to report suspected or potential compliance violations. You may first choose to address your concerns through your chain-of-command. If you are not comfortable discussing your concerns with those individuals, you may report your concerns to the Ethics and Compliance Department either in person, on the phone, via email, or by utilizing the Integrity Help Line.

Be Sure to Provide…

- The location of where your concern occurred or is occurring;
- The date or dates of any incident;
- The name and job roles of the individuals involved;
- A description of your concern; and
- Your name, unless you wish to remain anonymous.

Internal Investigations

Driscoll is committed to investigating all reported concerns promptly and confidentially to the extent possible. The Ethics and Compliance Department will coordinate any findings from the investigations and immediately recommend corrective action including as appropriate, making prompt restitution of any overpayment amounts, notifying the appropriate governmental agency, instituting whatever disciplinary action may be necessary, and implementing changes to prevent a similar violation from recurring in the future.