

### ***What is the Code of Conduct?***

The UC Davis Health System Code of Conduct is made up of 14 standards, each of which addresses an area that is known to be at risk for compliance violations. Each standard gives you information on appropriate conduct to follow and suggestions for handling problems that could arise. Some standards will fully cover a topic. Other topics are too complex to be fully covered by the standard, in which case you should obtain further information as needed.

### ***Does the Code of Conduct Apply to Me?***

The UC Davis Health System Code of Conduct applies to all UC Davis Health System employees and students. For purposes of the UC Davis Health System Code of Conduct, the term “employees and students” refers to all responsible parties who are involved in either the direct provision of patient clinical care services, or with providing staff, business, administrative, or patient care support services on campus, the medical center and clinics, and the School of Medicine. If you are an employee or student of UC Davis Health System (this includes both the UC Davis Medical Center and the UC Davis School of Medicine), you are responsible for knowing the Code of Conduct and following it. UC Davis Health System recognizes and endorses the University of California Statement of Ethical Values and University of California Standards of Ethical Conduct.

On February 8, 2006, President Bush signed the *Deficit Reduction Act of 2005* (the “DRA”) into law. The DRA is legislation addressing deficit reductions ranging from education to housing and Medicare to Medicaid. The University of California’s policies include specific details regarding procedures for detecting and preventing fraud, waste, and abuse. The policies incorporate requirements under State of California laws. The UC Health Sciences Clinical Enterprise Compliance Code of Conduct (the Code) has been updated with DRA information and includes a section covering the laws described above, the rights of employees to be protected as whistleblowers, and UC’s policies and procedures for detecting fraud, waste, and abuse. For more information on the UC Whistleblower policies visit: <http://ucwhistleblower.ucop.edu>

You are also responsible for following all federal and state laws, regulations, policies and procedures that apply to your area of work. Failure to do so could result in you being subject to corrective action and/or disciplinary measures.

### ***What Are My Responsibilities?***

Fulfillment of the UC Davis Health System commitment to certain standards in the conduct of our business is dependent upon the same commitment by all employees. It is the responsibility, therefore, of everyone to:

- Know and comply with the Code and the Compliance Program as they apply to your job;
- Avoid involvement in illegal, unethical or otherwise improper acts;
- Seek guidance as provided by the Compliance Program when in doubt about your responsibilities;
- Report any violation of the Program;
- Assist authorized personnel in investigating all allegations of violations;

- Take responsibility for your actions; and immediately notify the Compliance Office or the University's Office of the General Counsel if the government excludes you from participation in any federally-funded programs.

In addition, you should be aware that existing University Business and Finance Bulletin G-29 "prescribes responsibilities and procedures for investigating known or suspected misuses of resources by university employees..." Employees should refer to this policy for information on these investigations.

### ***What If I Have a Question or Concern?***

The opportunity for you to ask questions and raise concerns is a cornerstone of a successful corporate compliance program. We support open discussion of ethical and legal questions and concerns regarding compliance issues and will not tolerate retaliation against any individual who, in good faith, raises questions or reports suspected violations.

The rules governing the health-care industry can be complicated. For this reason, it is not always easy to make the right choices when it comes to compliance. If you have questions or concerns with any area of compliance, **please ask for help** (see below for suggested approach). It is always better to ask before taking an action that might be improper. UC Davis Health System supports open discussion of ethical and legal questions. We have well-developed programs in these areas and will not tolerate retaliation against any employee who, in good faith, raises questions or reports suspected violations.

As a university employee or student, you have a personal responsibility to report any activity that appears to violate the Code of Conduct or any applicable laws or regulations. In general, if you are aware of a compliance violation and fail to report it, you may be subject to corrective or disciplinary action.

If you have a question or concern regarding the appropriateness of a decision or action, you should take the following steps:

1. **Communicate with an immediate supervisor or manager**  
You should immediately discuss the issue with your supervisor, manager, or team leader because these individuals should be the most familiar with the particular job requirements and business practices. The supervisor should provide a timely response or work to seek alternative solutions.
2. **Talk with higher level management**  
If you are not comfortable speaking with a direct supervisor or manager, you should contact a higher level manager in the department or within the health system.
3. **Contact the chief compliance officer**  
The chief compliance officer has been designated as the individual with lead responsibility for compliance issues. He reports directly to executive leadership within the health system. At any point in the process, you can bring a question or concern to the chief compliance officer or staff within the Compliance Office. This would include situations where you believe that you have not received an appropriate, timely or ethical response from a supervisor.
4. **Obtain help from other university resources**

You can contact university management within other departments or the Office of the President. There are a number of resources within the university that are available to help, including the corporate compliance office, human resources, internal audit, and campus counsel.

**5. Call the Compliance Hotline**

At any point, you can contact the Compliance Hotline to raise questions and clarify issues or to report suspected violations. Reports will be investigated or referred to appropriate personnel for resolution. If you contact the Compliance Hotline, you may choose to remain anonymous. The Compliance Hotline can be reached at the following telephone number:

**(877) Ethics-2**

**or**

**(877) 384-4272**

If you are not comfortable taking any of the above steps, contact the UC Davis Health System Compliance Office at (916) 734-8808, e-mail us at [teresa.porter@ucdmc.ucdavis.edu](mailto:teresa.porter@ucdmc.ucdavis.edu), or check the compliance Web site at: <http://compliance.ucdmc.ucdavis.edu/>.

The people working in these areas are available to respond to any kind of question you might have. If they don't know the answer, they will try to find someone who does. Don't be shy about asking — we are all here to help each other.

***How Do I Use the Hotline?***

At any time, you can call the UC Davis Health System Compliance Hotline to ask a question or report a concern. The people answering calls on the hotline are not employees of UC Davis Health System. Here is what to expect if you make a call:

- The person answering the telephone will ask you if you want to remain anonymous. If you do, your call will be assigned a number. You can use this number to call back and obtain information on the status of your question or concern.
- Calls are not traced or recorded.
- The person taking the call will document the call and forward it to the UC Davis Health System Compliance Office. For anonymous calls, no UC Davis Health System employee will be given the name of the caller.

Call (877) ETHICS-2 ((877) 384-4272) to reach the hotline.

**Code of Conduct Principles**

The following principles are the foundation for the Code:

1. University personnel shall treat patients without discrimination and with respect, dignity and professionalism without regard to race, age, gender, religion, national origin, medical condition, physical or mental disability, ancestry, marital status, sexual orientation, citizenship, ability to speak English or status as a covered veteran.

2. University personnel shall adhere to all applicable standards of professional practice and ethical behavior in carrying out the business of the clinical enterprise and should not feel forced or compelled to take part in unethical, improper or illegal conduct.
3. University personnel are strongly encouraged to report all known or suspected improper governmental activities (IGAs) under the provisions of the *Policy on Reporting and Investigating Allegations of Suspected Improper Governmental Activities* (Whistleblower Policy). Managers and persons in supervisory roles are required to report allegations presented to them and to report suspected IGAs that come to their attention in the ordinary course of performing their supervisory duties. Reporting parties, including managers and supervisors, will be protected from retaliation for making such a report under the *Policy for Protection of Whistleblowers from Retaliation and Guidelines for Reviewing Retaliation Complaints* (Whistleblowers Retaliation Policy).
4. University personnel shall immediately communicate questions and concerns regarding any of the Code standards, the federal regulations, or if a federal or state healthcare insurance carrier's instructions are not clear to a supervisor. The University, federal and/or state government carriers, and other payers should, when necessary, work collaboratively to clarify and revise policies, procedures, and instructions in order to prevent errors or mistakes.
5. Since unintentional errors can occur in the normal course of doing business, it is the responsibility of both the University, as a health care provider, and the federal government's contracted carrier, to report in a timely manner any errors and to adjust reimbursements accordingly for those errors.

## **Code of Conduct Standards**

### ***Standard 1 – Quality of Care***

The university's academic health centers and health systems will provide quality health care in a manner that is appropriate, medically necessary, efficient and promotes the culture of safety.

1. All patients will be afforded quality clinical services.
2. Urgent and/or medically necessary services will be provided independent of payment methodology. The University's health care professionals will follow current medical and ethical standards regarding physicians and other health care providers' communication with patients, and where appropriate, their representative, regarding the care delivered.
3. The University recognizes the right of patients to make choices about their own care, including the right to do without recommended care or to refuse treatment.
4. University personnel, generally the patient's health care providers will inform patients about the alternatives and risks associated with the care they are seeking and obtain informed consent. To the extent possible, this information will be provided in a language that the patient can understand.

### ***Standard 2 – Medical Necessity and Appropriate Services***

The University's academic health centers and health systems shall submit claims for payment to government, private, or individual payers for those services or items that are medically necessary and appropriate.

1. When ordering or providing services or items, University physicians (or other health care professionals authorized by law to order items or services) shall only order those services and items that are consistent with generally accepted medical standards for diagnosis or treatment of disease and are determined by the profession to be medically necessary and appropriate.
2. In some cases, a health care professional may determine that services are medically necessary or appropriate, but the patient's health plan may not cover those services. In those cases, a patient should refer to his or her health plan administrator to receive information about the process for disallowed claims or uncovered benefits.
3. Patients may request services that are not covered benefits. Such services may be provided as long as the patient has been given advance notice and has agreed to pay for the services. In these cases, the patient may request the submission of a claim for the services to protect his or her appeal rights with respect to those services or to determine the extent of the coverage provided by the payer.
4. Professional coding and documentation will be consistent with the standards established in the University and Campus Programs and relevant policies.

### ***Standard 3 — Proper Coding, Billing, and Patient Accounting***

University personnel involved in the coding, billing, documentation and accounting for patient care services for the purpose of billing government, private or individual payers must comply with all applicable state and federal regulations and campus policies and procedures for detecting and preventing fraud, waste, and abuse.

1. The University will bill only for services actually rendered and shall seek the amount to which the University is entitled. The University does not tolerate billing practices that misrepresent the services actually rendered.
2. Supporting medical documentation must be prepared for all services rendered. University personnel shall bill on the principle that if the appropriate and required documentation has not been provided, then the service has not been rendered.
3. All services must be accurately and completely coded and submitted to the appropriate payer in accordance with applicable regulations, laws, and contracts and campus policies and procedures. In all cases, federal and state regulations take precedence; however, campus policies and procedures must accurately reflect those regulations.
4. All patients shall be consistently and uniformly charged. Discounts will be appropriately reported, and items and services consistently described so that comparability can be established among payers.

5. Government-sponsored payers shall not be charged in excess of the provider's usual charges. Any questions regarding the interpretation of this standard should be directed to the chief compliance officer or university legal counsel.
6. Billing and collections will be recorded in the appropriate accounts. Credit balances must be processed in a timely manner in accordance with applicable rules and regulations. When the cost report process identifies any credit balances, University personnel shall direct those issues to the academic health center, the health system's accounting or risk management departments, or other personnel responsible for patient accounts.
7. University personnel should be aware of the existence of system-wide and campus Professional Fee Billing Guidelines and Clinical Laboratory Billing Guidelines. These Guidelines, available through the campus Compliance Office, provide for the policies and procedures to be followed when the University bills payers for professional fees and laboratory services. University personnel responsible for coding, billing, and documentation should be knowledgeable about University policies and procedures, federal and state regulations regarding those activities. The University shall provide these individuals with opportunities for training to allow them to accurately code, document, and bill according to federal and state regulations and the University's policies and procedures. Management at each academic health center campus should ensure that appropriate evaluation processes have been established to assess whether University personnel understand and carry out correct procedures.
8. Elective procedures that are not covered by governmental or private payer can be provided. However, before providing any elective services, the provider must inform the patient that these services may not be covered. The provider should obtain the patient's agreement to pay for the services if payers deny the claim. A patient has the right to have a claim submitted even if services are excluded from coverage.
9. An accurate and timely billing structure and medical records system is critical to ensure that University personnel can effectively implement and comply with required policies and procedures. Demonstrated lapses in the information and billing systems infrastructure should be remedied in a timely manner by the campus executive management team, other designated University personnel and billing entities.

#### ***Standard 4 – Proper Cost Reporting***

University personnel who are responsible for the preparation and submission of cost reports must ensure that all such reports submitted to government and private payers are properly prepared and documented according to all applicable federal and state laws.

1. In submitting and preparing cost reports, all costs will be properly classified, allocated to the correct cost centers, and supported by verifiable and auditable data.
2. It is the University's policy to correct any cost report preparation or submission errors and mistakes in a timely manner and, if necessary, clarify procedures and educate employees to prevent or minimize recurrence of those errors.

### ***Standard 5 — Respect of Confidentiality***

All efforts will be made to protect personal and confidential or privileged information concerning the academic health center and health system's patients and the respective health care practices of those entities.

The University personnel will abide by applicable state and federal laws, including HIPAA privacy and security regulations.

1. University personnel shall not disclose confidential patient information unless authorized by the patient and/or when authorized by law. Approval for appropriate use of patient information for research purposes must be obtained from the Institutional Review Board.
2. Confidential patient information should only be discussed with or disclosed to appropriate University personnel as permitted by HIPAA policies.
3. Confidential patient information should not be discussed with or disclosed to non-University personnel unless authorized by the patient or permitted by law. Non-University personnel include the family or business and social acquaintances of the patient or of University personnel, customers, suppliers, or others.
4. In general, patients can request and are entitled to receive copies or summaries of their records with the exception of non-emancipated minors, some mental health patients, and patients being treated for alcohol and drug abuse, who may be provided with copies of the records if it is appropriate as judged by their clinician.
5. Some information may be sought under the *California Public Records Act*, the *Information Practices Act*, or other statutes requiring the release of information.
6. University personnel who have any questions regarding patient confidentiality should refer to University policies for additional information and consult with appropriate supervisor, manager, the Compliance Office, or the Privacy Officer.
7. University personnel shall not reveal or disclose confidential medical staff or peer review information. California and federal law bestows certain privileges and provides for confidentiality of certain records including the proceedings and records or organized committees of the medical staff and peer review bodies.
8. University personnel shall not reveal or disclose proprietary or trade secret information to unauthorized non-University persons. Proprietary information may relate to University business affairs or the affairs of a vendor or contractor.
9. Personnel records are considered confidential. Access to personnel files is limited to management, the human resources department staff, and internal auditors, and these individuals are held accountable for protecting the privacy of personnel records.

### ***Standard 6 — Creation and Retention of Accurate Patient and Institutional Records***

All patient and institutional records are the property of the University. University personnel responsible for the preparation and retention of records shall ensure that those records are accurately prepared and maintained in a manner and location as prescribed by law and University policy.

1. The complete and accurate preparation and maintenance of all records (medical, professional, electronic, paper, and institutional) by University physicians, clinicians, nurses, and others are important for providing quality care and conducting business of the University's clinical enterprise. Accurate records are required in order for the University hospital or clinic to retain licensure and accreditation.
2. University personnel will not knowingly create records that contain any false, fraudulent, fictitious, deceptive, or misleading information.
3. University personnel must not delete any entry from a medical record. Medical records can be amended and material added to ensure accuracy of a record in accordance with medical center and Medical Staff policies and procedures. Whenever University personnel amend a record, they must indicate that the notation is an addition or correction and record the actual date that the additional entry has been made.
4. University personnel must not sign someone else's signature or initials on a record unless they have been authorized and clearly marked that they are signing on behalf of another (e.g., by initialing the signature).
5. University records shall be maintained according to accepted standards and principles of the particular profession and applicable University policies and procedures.
6. Unless authorized by University policy, University personnel shall not destroy or remove any University records from the University's premises.
7. The University's record retention and record destruction policies and procedures must be consistent with Federal and State requirements regarding the appropriate time periods for maintenance and location of records.

### ***Standard 7 – Cooperation with Government Requests for Information***

University personnel should cooperate with appropriately authorized governmental investigations and audits.

1. The University has developed detailed policy to advise University personnel on the procedures to be followed when representatives of the government arrive unannounced. The policy establishes a procedure for an orderly response to the government's request to enable the Health System to protect its and its patients' interest while fully cooperating with the investigation.
2. When a representative from a federal or state agency contacts University personnel for information regarding the Health System or any Health System affiliated health care entity, or any other entity with which the Health System does business, the individual should contact the hospital director immediately. If the hospital director is not immediately available, the individual should contact the

Compliance Office, or Health System Counsel or General Counsel. University personnel should ask to see the government representative's identification and business card, if the government representative is there in person. Otherwise, University personnel should ask for the person's name and office, address and telephone number, identification number and then call the government representative's office to confirm his or her authority.

### ***Standard 8 – Prevention of Improper Referrals or Kickbacks***

University personnel must not accept or offer, for themselves or for the University, anything of value in exchange for referrals of business or the referral of patients.

1. Federal law generally prohibits anyone from offering anything of value to a Medicare, Medicaid or TRICARE patient that is likely to influence that person's decision to select or receive care from a particular health care provider.
2. University personnel may not offer or receive any item or service of value as an inducement for the referral of business or patients to or from University providers or practitioners or outside facilities. Regulations prohibit improper influence that could alter clinical decisions or purchasing decisions, increase costs, or lead to over or under utilization of services.
3. In addition to the prohibition regarding exchange of goods or money to induce referral, certain prohibitions exist with regard to receipt of gifts by University personnel.
4. Federal law prohibits a physician from referring a patient for certain health services to a facility where that physician (or a family member) has a financial interest (Stark regulations).
5. University personnel should adhere to the University's policy as defined in the *Compendium of University of California Specialized Policies, Guidelines and Regulations Related to Conflict of Interest*, the *University's Gifts Policy*, as well as the *California Political Reform Act*.
6. Each campus shall establish procedures for the review of all pricing and discounting decisions to assure that appropriate factors have been considered and that the basis for such arrangements are documented.
7. The following types of business arrangements must be reviewed and approved by one or more of the campus executive management teams to assure compliance with University policies and federal regulations. The executive management team may determine that certain business transactions must first be approved, in accordance with University policy, but the University's Board of Regents is charged with taking action on such matters:
  - a. Pursuing joint ventures, partnerships, corporations;
  - b. Developing hospital financial arrangements with hospital-based physicians;
  - c. Entering into an arrangement to lease or purchase equipment or supply items from a vendor; or
  - d. Acquiring physician's practices, hospitals, and other facilities, clinical, and ancillary services, or any other entities.

### ***Standard 9 – Adherence to Antitrust Regulations***

The university will comply with all applicable federal and state antitrust laws.

University personnel should not, for example:

- 1) agree, or attempt to agree, with a competitor to artificially set prices or salaries;
- 2) divide markets, restrict output, or block new competitors from the market;
- 3) share pricing information with competitors that is not normally available to the public;
- 4) deny staff privileges to physicians or allied practitioners, individually or as a group, when there is no academic programming decision to do so and when such decisions should be based on individual qualifications; and
- 5) agree to participate with competitors in a boycott of government programs, insurance companies, or particular drugs or products.

### ***Standard 10 – Avoidance of Conflicts of Interest***

All University personnel shall conduct clinical enterprise and personal business in a manner that will avoid potential or actual conflicts of interest.

1. University personnel shall not use their official positions to influence a university decision in which they know, or have reason to know, that they have a financial interest. University personnel should follow the Compendium of University of California Specialized Policies, Guidelines, and Regulations Related to Conflict of Interest and be knowledgeable about activities that may be an actual or potential conflict of interest. Examples of such activities may include, but are not limited to, the following:
  - a. giving to or receiving gifts, gratuities, loans, or other special treatment of value from third parties doing business with or wishing to do business with the University in a manner that is not in accordance with the *University's Gifts Policy* and the *California Political Reform Act*. Third parties may include, but are not limited to, customers, patients, vendors, suppliers, competitors, payers, carriers, and fiscal intermediaries;
  - b. using the University facilities or resources for other than University activities;
  - c. using the University's name to promote or sell non-University products or personal services; and
  - d. contracting for goods or services with family members of University personnel directly involved in the purchasing decision.
2. University personnel should consult with a supervisor, executive management, the campus conflict of interest coordinator, University general counsel or, if available, campus counsel prior to engaging in any activity that could raise conflict of interest issues.

### ***Standard 11 – Respect for Patient's Freedom of Choice***

When referring patients to home health agencies, medical equipment suppliers or long term-care and rehabilitation providers, University personnel should respect the patient's right to choose his or her own providers.

1. Some healthcare plans limit the patient's choice of provider, or pay less than the full cost of a provider. The patient has the freedom to choose providers not in his or her health program or insurance panel, provided the patient is willing to pay for the non-covered care.

### ***Standard 12 – Honest and Fair Business Practices***

University personnel shall adhere to fair business practices and accurately and honestly represent themselves and the University's services and products.

1. University personnel will be honest and truthful in all marketing and advertising practices pertaining to the business practices of the University's academic health centers and health systems.
2. Vendors who contract to provide goods and services to the University's academic health centers and health systems will be selected on the basis of quality, cost-effectiveness and appropriateness for the identified task or need, in accordance with University policy.

### ***Standard 13 – Fair Treatment of Employees***

The University prohibits discrimination in any work related decision on the basis of race, color, national origin, religion, sex, physical or mental disability, medical condition (cancer-related or genetic characteristics), ancestry, marital status, age, sexual orientation, citizenship, or status as a covered veteran. The University is committed to providing equal employment opportunity and a work environment where each employee is treated with fairness, dignity and respect.

1. The University will make reasonable accommodations to the known physical and mental limitations of otherwise qualified individuals with disabilities. If an individual requires accommodations or needs assistance, he or she should contact the campus Employee Assistance Program or human resources.
2. The University does not tolerate harassment or discrimination by anyone based on the diverse characteristics or cultural backgrounds of those who work for the University pursuant to the University of California Non-discrimination and Affirmative Action Policy Regarding Academic and Staff Employment.
3. Any form of workplace violence or sexual harassment is strictly prohibited. University personnel should refer to campus specific policies dealing with workplace violence or sexual harassment.
4. For employees who observe or experience any form of discrimination, harassment or violence, the University provides a number of ways to report the incident, including, but not limited to the following: a supervisor, manager, the Chief Compliance Officer, UCDHS Counsel, University general counsel, campus counsel, Human Resources, the campus Office of Equal Opportunity & Diversity, the campus Compliance hotline, and appropriate Academic Senate committee.

## ***Standard 14 – Clinical Research***

Integrity in research includes not just the avoidance of wrong doing, but also the rigor, carefulness, and accountability that are the hallmarks of good scholarship. University policies set forth expectations for high standards of ethical behavior for faculty, staff, and students involved in research. The rights of research study participants and their well-being and privacy are protected by the University through compliance with ethical standards and all applicable University policies and federal and state regulation.

1. All members of the University community engaged in research are expected to conduct their research with integrity and intellectual honesty at all times and with appropriate regard for human subjects.
2. To protect the rights, well-being, and privacy of human subjects, all research involving human subjects is to be reviewed by institutional review boards.
3. The University prohibits research misconduct. Personnel engaged in research are not to: fabricate data or results; change or knowingly omit data or results to misrepresent results in the research record; or intentionally misappropriate the ideas, writings, research, or findings of others.
4. All those engaged in research are expected to pursue the advancement of knowledge while meeting the highest standards of honesty, accuracy, and objectivity and to demonstrate accountability for sponsors' funds and to comply with specific terms and conditions of contracts and grants.
5. In accordance with University policy (UCOP Operating Requirement No. 95-5, *"Requirements for Administration of Agreements with Private Sponsors for Drug and Device Testing Using Human Subjects"*), the cost to perform clinical trials conducted for a private sponsor must always be fully funded by the sponsor and may not be supported in whole or in part by other funds, including third party insurance payments, gift or foundation funds, or charges to the subject.
6. Goods and services are procured in a competitive, fair and timely manner in compliance with OMB Circular A-110 and University policies. Conflicts of interest are avoided. Educational or research grants or other funds received from commercial entities are not permitted to influence procurement decisions.
7. Ongoing monitoring and auditing processes, with initiation of appropriate corrective action, ensure the University's clinical research programs are well managed.
8. The records retention program for clinical research ensures documents and other necessary supporting evidence are maintained for the appropriate length of time as required by federal and other regulations. This program evaluates and verifies the effectiveness of the systems and internal procedures implemented.

# *Acknowledgement Statement*

## **The UC Davis Health System Code of Conduct**

My signature on this form acknowledges that I have received and agree to read the UC Davis Health System code of Conduct.

I confirm that I have not been excluded by the federal government from participation in any governmental program nor, to the best of my knowledge, have I been proposed for exclusion. I agree to notify the Chief Compliance Officer or the University's Office of the General Counsel immediately upon receiving written or verbal notification that I am proposed for exclusion from any governmental health care program.

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Name (please print)

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Signature

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Date

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Department