**SCOPE:** Applies to entities indicated below as well as their subsidiaries and affiliates

| ☑ NM – Northwestern Memorial Hospital | ☑ NM – Lake Forest Hospital |
| ☑ NM – Northwestern Medical Group | ☑ NM – Central DuPage Hospital |
| ☑ NM – Regional Medical Group | ☑ NM – Delnor Hospital |
| ☑ NM – Kishwaukee Hospital | ☑ NM – Valley West Hospital |
| ☑ NM – Marianjoy Rehabilitation | ☑ NM – Home Health & Hospice |
| ☑ NM – Palos Community Hospital | ☑ NM – System Functions / NMHC Employees |
| ☑ NM – Huntley Hospital / ☑ NM – McHenry Hospital / ☑ NM – Woodstock Hospital | |
| ☑ NM – Other **See “Scope/Persons/Areas Affected” Section below** |

**I. PURPOSE:**

To define and implement the code of clinical and business ethics for NMHC (as defined herein) and, based upon this code of ethics, to set forth specific requirements governing the relationships between NMHC and Vendors or Industry, Referral Recipients, and Referral Sources.

**II. POLICY STATEMENT:**

NMHC is committed to conducting its business in accordance with the highest level of ethical principles and with applicable laws, regulations, and standards. NMHC seeks to maintain a culture of “doing the right thing” for patients, Personnel, and the community. The following appendices, which are part of this policy, facilitate achievement of this commitment:

A. Northwestern Memorial HealthCare Integrated Code of Ethics (*Appendix A*), which sets forth principles of legal and corporate compliance.

B. Reporting Methods (*Appendix A-1*), which sets forth the methods for reporting a violation of the Code of Ethics to the Office of Corporate Compliance & Integrity.

C. Northwestern Memorial HealthCare Professional Integrity Handbook (*Appendix B*), which sets forth requirements governing relationships with Vendors or Industry, Referral Recipients, and Referral Sources.

**III. SCOPE/PERSONS/AREAS AFFECTED:**

This policy affects all Personnel (as defined herein), unless otherwise stated within this policy.
IV. **PROCEDURAL RESPONSIBILITIES:**

A. Guidance for ethical business decision-making consistent with this policy is provided by the Office of Corporate Compliance & Integrity, Office of General Counsel, and/or external resources as deemed necessary.

B. Guidance for ethical clinical decision-making, including professional consultation, is provided by appropriate NMHC resources, such as a Medical Ethics Consultation, as deemed necessary.

V. **DEFINITIONS:**

A. **House Staff:** Residents and fellows of McGaw Medical Center of Northwestern University who are neither employed by NMHC nor otherwise falling within the definition of NMHC Personnel, but only in connection to their activities on NMHC premises and/or access to NMHC information.

B. **Medical Staff:** NMHC hospital medical staff who are neither employed by NMHC nor otherwise falling within the definition of NMHC Personnel, but only in connection to their activities on NMHC premises and/or access to NMHC information.

C. **NMHC:** Northwestern Memorial HealthCare and entities wholly-owned or wholly-controlled by Northwestern Memorial HealthCare (individually referred to herein as an “NMHC-entity,” and collectively referred to herein as “NMHC”). For purposes of this definition, “NMHC” and “NMHC-entity” shall also include those entities partially-controlled by NMHC (i.e. joint ventures) if, within a policy addressing joint ventures, the entities are expressly identified as being subject to this policy.

D. **NMHC Personnel:** Includes NMHC employees (including employed physicians); volunteers; corporate officers; directors; Board committee members; student trainees; temporary agency staff or leased employees; and Medical Staff or House Staff who (a) hold a paid or unpaid medical administrative position (e.g., clinical Department Chairs, Section and Division Chiefs, or special care unit directors), (b) have procurement responsibility or the authority to recommend such procurement, or (c) participate on Boards or Board committees; and persons whose conduct is under the direct control of NMHC.

E. **Personnel:** NMHC Personnel, Medical Staff, and House Staff, collectively.

F. **Private Inurement:** Any situation where the earnings of a tax exempt entity inures in whole or in part to the benefit of private individuals.

G. **Referral Recipient:** A person or entity, or an employee or representative of a person or entity, who or which receives or could potentially receive patient referrals from NMHC. For example, a Referral Recipient would include a hospital, nursing home or other physician to which a physician refers patients.

H. **Referral Source:** Refers to person or entity, or an employee or representative of a person or entity, who or which refers or could potentially refer patients to NMHC. Referral Sources include, for example, community physicians who refer patients to NMHC for specialty services.

I. **Vendor or Industry:** Includes any individual or entity that provides or could provide products or services of any type to NMHC. This includes, by way of example, providers of diagnostic, preventative, remedial and therapeutic services, such as doctors, nurses, hospitals and other private, public and voluntary organizations; medical device and equipment and pharmaceutical manufacturers and distributors; biotechnology firms; health insurance firms; and others that provide or could provide products and services directly related to the provision of health care and directly affecting the provision of health care; and other individuals and entities whose products or services are not necessarily limited to the health care industry (e.g., banks, law firms, information systems vendors, architects, and similar organizations).
VI. **POLICY UPDATE SCHEDULE:**

This policy is reviewed or updated every five (5) years or more often as appropriate.

VII. **RELEVANT REFERENCES:**

A. The Joint Commission Leadership Standards

B. U.S. Sentencing Guidelines


VIII. **APPENDICES:**

*Appendix A: NMHC Integrated Code of Ethics*

*Appendix A1 – Reporting Methods*

*Appendix B: NMHC Professional Integrity Handbook*
IX. APPROVAL:

Responsible Party: Jennifer Wooten Ierardi  
Chief Integrity Executive

Reviewers: Accreditation, Clinical Compliance  
Risk Management  
Quality  
NMHC-entity Chief Medical Officers  
Office of General Counsel  
Northwestern University Feinberg School of Medicine, Office for Regulatory Affairs

Committee: NMHC Board Quality Committee  
Approved: 07/26/2019

Approval Party: Jennifer Wooten Ierardi  
Chief Integrity Executive, NMHC

X. REVIEW HISTORY:
Revised: 01/20/2011 – Migrated from NMH 1.11 ADM, v 05/29/2008  
Revised: 05/2012: - Split Conflict Management and Code of Ethics into two policies  
Revised 08/2015: Added Appendix B, Northwestern Memorial HealthCare Professional Integrity Handbook  
Revised: 09/2016: Added Kishwaukee Health System – no other content changes  
Revised: 01/09/2017: Added Marianjoy Rehabilitation – no other content changes  
Reviewed: 09/01/2021 – Palos Inclusion
Appendix A: Northwestern Memorial HealthCare Integrated Code of Ethics

Northwestern Memorial HealthCare and entities wholly-owned or wholly-controlled by Northwestern Memorial HealthCare (individually referred to herein as an “NMHC-entity,” and collectively referred to herein as “NMHC”) have a long-standing policy of consistently “doing the right thing” for patients, Personnel, and the community. Our reputation relies on the commitment of each one of us to fully understand and consistently demonstrate our core values.

Our reputation is an asset of the business. To ensure that everyone understands what he or she must do to sustain and grow this asset, NMHC created this Integrated Code of Ethics (the “Code”). It provides guidance in answering legal and ethical questions that may arise from our work. The Code requires that all of us conduct our activities honestly and lawfully and comply with laws that apply to the healthcare industry.

The Code represents NMHC’s commitment to provide a healthy, fair, and productive work place that supports and enables Personnel to do their best work. In return, Personnel should treat one another with respect and consideration, do their best to uphold and enhance NMHC’s good reputation, and protect and preserve patient safety and quality of care.

The Code requires that all of us adhere to NMHC policies and procedures. The Code is intended to be an overview of NMHC’s policies and standards and applies to all Personnel. The reader, therefore, should also consult other NMHC policies and procedures, including those referenced herein, that address specific topics and that contain additional detail, direction and guidance with respect to those laws, regulations and standards related to the topic.

I. Legal Compliance

A. NMHC must ensure all its activities or actions on its behalf comply with applicable laws and appropriate ethical standards.

B. Personnel are required to comply with all applicable laws and standards, as well as all NMHC policies based upon such laws or standards, whether or not specifically mentioned in this document.

1. Compliance with General Laws and Standards
   a. Personnel must comply with all applicable laws and standards that regulate how healthcare is provided. These laws include, but are not limited to, laws and standards affecting the regulation of the delivery of healthcare, including local, state and federal licensing requirements; The Joint Commission accreditation standards; laws affecting employment, labor, benefits, and collective bargaining obligations; and environmental laws.

2. Employment and Labor Laws
   a. Personnel must comply with applicable laws that regulate employment. Examples of these laws include:
      i. Wage and hour requirements; and
      ii. State and Federal civil rights laws, including laws protecting employees from sexual harassment and discrimination; collective bargaining and union laws; and laws protecting employees from arbitrary termination of employment.

3. Quality, Safety and Environmental Laws
   a. Personnel must comply with laws that protect the safety and well-being of NMHC patients and fellow Personnel. Examples of these include:
      i. Laws prohibiting the discharge of certain specified materials into the air or water; and
ii. Laws protecting Personnel and patients from exposure to toxic and other environmental hazards.

C. If there are questions about the existence, interpretation or application of any law, they should be directed to the Office of General Counsel or the Office of Corporate Compliance & Integrity.

II. Corporate Compliance
   A. Compliance with Applicable Laws
      1. Personnel must comply with all applicable laws, as well as all NMHC policies based upon such laws, that regulate business practices involved in providing healthcare including, but not limited to, antitrust laws, fraud and abuse prohibitions, and laws affecting tax-exempt corporations.
      2. Compliance with these laws, which are discussed throughout this policy, is the subject of NMHC’s Corporate Compliance & Integrity training.
      3. Personnel must maintain compliance at all times and complete required Corporate Compliance & Integrity training.
      4. Personnel whose jobs with NMHC require them to have more detailed knowledge of specific areas of these laws must also attend specialized NMHC education programs.
      5. Personnel should request assistance from the Office of General Counsel or the Office of Corporate Compliance & Integrity when faced with business decisions that may involve a risk of violating one of these laws or if they have questions regarding the interpretation or application of the laws.

   B. Accurate Books and Records
      1. All books and records must be maintained in an accurate, complete, not misleading and timely manner.
      2. Records shall be retained per the requirements stipulated in laws, as well as all NMHC policies based upon such laws. It is the duty of Personnel to comply with all policies regarding record retention, as well as all applicable laws. Any Personnel not sure about such policies and laws should contact the Office of Corporate Compliance & Integrity. See NMHC Administrative Policy: Records Management.
      3. Complete and accurate medical records are required for each patient treated. In order to ensure that medical records can support all of their various purposes, it is extremely important that the records be complete, accurate, timely, and legible.
      4. All medical records must also be maintained in a confidential manner to ensure the integrity of doctor-patient and NMHC-patient relationships. See NMHC Administrative Policy: Privacy and Confidentiality: Patient Information.
      5. All books, records, and accounts must accurately reflect the nature of the transactions recorded. All assets and liabilities of NMHC must be accurately recorded on the books. There shall be no undisclosed or unrecorded fund or asset in any amount for any purpose; no false, misleading or artificial entries for any purpose; and no payment shall occur, or purchase price agreed to, with the intention or understanding that any part of such payment is for anything other than that described in the document supporting the payment.
      6. Cost must be allocated and billed to a government contract, program, or other entity properly and in accordance with law. Timely and accurate completion of time records by all Personnel is essential. Personnel shall report only the true and actual number of hours worked.
      7. Expenses, properly incurred in performing NMHC business, must be documented promptly with accuracy and completeness on expense reports in accordance with applicable policy.
C. Conflict of Interest

1. Personnel must avoid situations in which their personal interests could reasonably be expected to, or even appear to, affect their independence of judgment with respect to NMHC business. Personnel should consider themselves to be persons in positions of trust and act accordingly. Actual or potential conflicts of interest must be disclosed as required by NMHC Administrative Policy: Conflict of Interest.

2. Personnel shall not ask for, take, offer, or give any payments, fees, cash-equivalents, loans, services from or to any person or firm as a condition or result of doing business with NMHC. Acceptance of such gifts or favors is addressed in Appendix B to this policy.

D. Fraud, Bribery and Theft

1. Personnel may neither make improper use of NMHC, supplier or patient resources, nor let others do so. In particular, Personnel may not make, offer or receive bribes, kickbacks, or illegal payments of cash or other gifts, for any purpose, in any form or for any amount.

2. Other examples of the improper use of NMHC resources include unauthorized appropriation, possession or personal use of NMHC supplier or patient assets such as charge cards, checking accounts, stationery, technology and patents, software, computers, communication and copying equipment, tools or office supplies. The unauthorized possession or inappropriate use, alteration, destruction or disclosure of NMHC data or documents is also forbidden.

E. False Claims

1. Personnel may not create or present for payment bills, claims or statements that contain false information or make or present false claims to the federal government for payment or use a false record or statement to obtain payment from the government.

F. Patient Privacy, Confidentiality, and Security

1. Protecting the privacy of patients and keeping all health records and information private and secure is an organizational commitment. Personnel are responsible for protecting the privacy and security of all Protected Health Information (“PHI”), Personal Identity Information (“PII”) and other confidential information (oral or recorded in any form). See NMHC Administrative Policy: Privacy and Confidentiality: Patient Information.

G. Marketing and Purchasing

1. Two closely related and general principles should guide all marketing and purchasing actions by Personnel:

   a. In business transactions, Personnel shall never make misrepresentations or lie to anyone. If Personnel believe that another person may have misunderstood them, they should promptly correct any misunderstandings. Honesty, based on clear communication, is the basis of integrity.

   b. Personnel are to treat fairly everyone with whom they do business. In addition, they should contact the Office of General Counsel or the Office of Corporate Compliance & Integrity if they encounter any circumstances where they feel they are being inappropriately pressured or influenced to do something.

H. Healthcare Fraud and Abuse

1. Personnel may not accept, ask for or offer any payment for the referral of individuals for a service covered by any health benefit program, including without limitation Medicare, Medicaid, or other federal health benefit program.

2. Personnel may not accept or ask for payment for the purchasing or leasing of any good, item or service covered under such programs.

3. Physicians are prohibited from referring patients covered by Medicare, Medicaid, or other federal health benefit programs to a “designated health services” provider in which the
physician or an immediate family member of such physician has a financial interest, unless permitted under the law. See Appendix B to this policy for the definition of “designated health services.”

4. Personnel shall not allow Vendors or Industry to provide food on site at any NMHC-entity.

I. Tax Exemption

1. NMHC-entities that are exempt from taxation must follow certain rules to maintain this status. Specifically, the entities must avoid Private Inurement and not engage in substantial activities unrelated to their exempt purposes.

J. Political Contributions

Tax exempt NMHC-affiliated entities must observe strict rules prohibiting contributions to and participation in any political campaign. NMHC may not contribute or loan, directly or indirectly, any funds or other assets to any political party or for the support or campaign of any person for political office. NMHC, however, allows individuals to participate on their own time and unrelated to their NMHC employment in political or similar advocacy activities.

K. Emergency Medical Treatment and Labor Act (“EMTALA”)

1. EMTALA places certain obligations on medical service providers. NMHC is committed to complying with the provisions of EMTALA. This includes the performance of medical screening examinations, and, in the event an emergency medical condition exists, the stabilization of the patient or appropriate transfer. See NMH Patient Care Policy: EMTALA: Emergency Medical Treatment and Labor Act or entity specific EMTALA policy, as appropriate.

L. Antitrust

1. All NMHC Personnel must comply with applicable antitrust and related laws that regulate competition. Examples of conduct that are forbidden by these laws include:
   a. Agreements to fix prices, divide markets or territories or collude (including sharing pricing information) with competitors in any way that lessens competition.
   b. Boycotts, including certain exclusive dealing agreements.
   c. Unfair trade practices, including bribery, misappropriation of trade secrets, deception, intimidation, and similar practices.

M. Alleged Misconduct relating to research

1. Personnel must abide by high ethical standards in research; inquire into and, if necessary, investigate and resolve promptly and fairly all instances of alleged misconduct; and comply in a timely manner with agency requirements for reporting cases of possible misconduct in sponsored projects.

III. Corporate Compliance Program

A. This Code of Ethics is the cornerstone of the corporate compliance program and the foundation for other organizational policies and procedures. The Code guides behaviors and decisions in conducting day-to-day activities and provides guidance for managing conflicts to ensure that processes are defined and consistently implemented to address conflicts that, if not managed, could adversely affect patient safety and/or quality of care.

B. NMHC may not delegate “substantial discretionary authority” to people the organization knows or should have known to have or had a propensity to engage in illegal activities. For this reason, and to comply with state law, employment verifications, criminal background checks/investigations and other reference verifications, as appropriate, are conducted for all Personnel. See NMH Administrative Policy: Sanction Screening or entity specific Sanction Screening policy, as appropriate.
C. Responsibility for the Corporate Compliance Program

1. NMHC has appointed a Chief Integrity Executive to establish and maintain an Office of Corporate Compliance & Integrity to administer the corporate compliance program.

2. The Office of Corporate Compliance & Integrity will provide guidance and obtain legal counsel review to address inquiries as necessary.

3. If an individual feels that an issue requires the attention of the Office of Corporate Compliance & Integrity, the individual should contact the Office of Corporate Compliance & Integrity directly before initiating contact with persons not associated with NMHC. See NMHC Administrative Policy: Reporting of Wrongdoing: Responsibilities, Protections and False Claims Laws.

D. Responsibility to Report Violations

1. Ethical behavior is the responsibility of every individual. All individuals have a duty to promptly report any dishonest or illegal activity and actual or potential violation of the Code, the corporate compliance program, or organizational policies and procedures that guide behavior and decisions in conducting day-to-day activities. See NMHC Administrative Policy: Reporting of Wrongdoing: Responsibilities, Protections and False Claims Laws.

2. If an individual knows, or reasonably believes, that someone has or is about to commit a violation of the Code and does not promptly report it as described, he or she will be subject to appropriate disciplinary action. This may include demotion or termination of employment or other relationship. Under no circumstance is criminal conduct by Personnel considered within the scope of his/her employment or authority.

3. The distinction between criminal conduct and conduct that may violate civil laws is not always clear. Therefore, if an individual knows of any act by another individual which violates, or appears to violate, a provision of the Code, the individual must report it.

E. Confidentiality of Reports

1. The identity and the information reported by an individual will be shared only on a “need-to-know” basis with those responsible for resolving the concern. NMHC will make all reasonable efforts to maintain the confidentiality of the identity of any person who reports possible misconduct. See NMHC Administrative Policy: Corporate Compliance and Integrity Investigations: Responsibilities and Procedures.

2. In addition to Section III.E above, the Office of Corporate Compliance & Integrity has authority to release this information to:
   a. Appropriate third parties such as outside counsel and independent public accountants, as necessary, in order to resolve the concern;
   b. NMHC management who are not the subject of the report and whose duties and responsibilities require them to be informed about the report or the results of the subsequent investigation of the report;
   c. Any appropriate Board or Board committee; or
   d. Law enforcement officials, as appropriate.

3. In general, individuals filing reports should not disclose the contents of the report to anyone other than those responsible for and involved in resolving the concern (i.e. the Office of Corporate Compliance & Integrity, Human Resources, etc.).

4. The Office of Corporate Compliance & Integrity will treat and investigate anonymous reports as seriously and fully as those filed or communicated by individuals who identify themselves. See NMHC Administrative Policy: Corporate Compliance and Integrity Investigations: Responsibilities and Procedures.
F. Protection From Retaliation

1. NMHC will not retaliate against Personnel who have filed a report based on a good faith belief that someone is about to commit, or has committed, a crime or violation of the Code. Good faith means actually believing or perceiving that the information reported is true. See NMHC Administrative Policy: Reporting of Wrongdoing: Responsibilities, Protections and False Claims Laws.

2. Personnel who attempt to take or take retaliatory action against any person reporting an incident in good faith will face appropriate disciplinary action up to and including termination of employment or other relationship.

G. Response to a Report

1. Upon receipt of a report, the Office of Corporate Compliance & Integrity will conduct or cause to be conducted an investigation and recommend actions ranging from those intended to prevent a recurrence (e.g., remedial training) to termination of the wrongdoer’s employment or other relationship or such other disciplinary action, as appropriate under the circumstances. Corrective actions may also include prompt restitution of overpayment amounts or notification to an appropriate governmental agency, as applicable. See NMHC Administrative Policy: Corporate Compliance and Integrity Investigations: Responsibilities and Procedures.

H. Due Diligence in Delegation of Authority

1. Personnel with the authority or responsibility to act on behalf of NMHC must be familiar with the provisions of the Code.

2. Managers must be careful in delegating substantial discretionary authority and responsibility and, before doing so, should consider a person’s prior business conduct and behavior.

I. Discipline for Violations

1. Disciplinary actions up to and including termination of employment or other relationship may be taken for:
   a. Authorization of or participation in actions that violate the Code;
   b. Failure to report a violation of the Code;
   c. Refusal to cooperate in the investigation of a violation of the Code;
   d. Failure by a violator’s manager(s) to detect and report a violation of the Code, if such failure reflects inadequate supervision or lack of oversight; and/or
   e. Retaliation against an individual for reporting a violation of the Code.

2. Ensuring compliance with the standards set forth in the Code is an important NMHC objective and requires all individuals to take seriously their obligations as outlined above. Violations of the Code will not be tolerated and, consistent with applicable collective bargaining agreements, will result in one or more of the following sanctions, as appropriate:
   a. Coaching
   b. Written reprimand
   c. Suspension pending investigation
   d. Demotion
   e. Termination
   f. Required reimbursement of losses or damages
   g. Referral for criminal prosecution or possible civil action
3. In most cases, progressive discipline (the gradual increase in the severity of sanctions for an act) will be employed. However, if the violation is sufficiently serious, or performed with willful disregard of the Code, immediate termination may result.

4. Notwithstanding the foregoing, specific disciplinary actions may be set forth in NMHC policies.

5. Notwithstanding the foregoing, Medical Staff are subject to discipline and due process as set forth in the applicable Medical Staff Bylaws.

6. Notwithstanding the foregoing, House Staff are subject to the McGaw Medical Center of Northwestern University’s process for Evaluation and Addressing Performance Deficiencies in the McGaw House Staff Manual. See, NMHC Medical Staff Policy: Code of Conduct for House Staff.

J. How to Report an Offense or Suspected Offense

1. Questions or concerns about legal or ethical issues may be reported to an individual’s supervisor. If the supervisor does not provide a satisfactory response in a reasonable amount of time, the question or concern should be escalated.

2. Alternatively, questions or concerns may be reported as set forth on Appendix A-1 to this policy.
Appendix A-1: Reporting Methods

Questions or concerns about legal or ethical issues may be reported as follows:

A. Email individuals in the Office of Corporate Compliance & Integrity at compliance@nm.org. A listing of staff of the Office of Corporate Compliance & Integrity is available on NMI.

B. Call individuals in the Office of Corporate Compliance & Integrity or call the main number: 312-926-4800.

C. Contact the Compliance Confidential Hotline at 844-339-6271 or log into www.nm.ethicspoint.com. The confidential hotline and website are managed by an outside entity unrelated to NMHC. Reports may be made anonymously.

D. Write a letter or present in person at the Office of Corporate Compliance & Integrity, 541 North Fairbanks Court, 10th Floor, Suite 1065, Chicago, IL 60611.

APPENDIX A1: Jennifer Wooten Ierardi
Reporting Methods
Chief Integrity Executive

Effective Date: 09/01/2021

REVIEW HISTORY
Written: 08/2015
Reviewed: 09/19/2016
09/01/2021 – Palos Inclusion
Appendix B: NMHC Professional Integrity Handbook

[See attached]

APPENDIX B:
NMHC Professional Integrity Handbook

Jennifer Wooten Ierardi
Chief Integrity Executive

Effective Date: 09/01/2021

REVIEW HISTORY:
Written: 08/2015
Reviewed: 09/19/2016
Revised: 11/07/2016
Reviewed: 09/01/2021 – Palos Inclusion