

Signature Hospital Corporation

Code of Conduct

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The Signature Hospital Corporation Code of Conduct provides guidance to all employees while carrying out their employment activities within appropriate ethical and legal standards. These obligations govern the conduct of directors, officers, and employees of Signature Hospital Corporation, its subsidiaries and facilities, and their relationships with affiliates, agents, subcontractors, independent consultants, third party vendors, physicians, or other persons or independent contractors. All references to “Signature Hospital Corporation,” “Signature,” or the “Company,” in this Code of Conduct shall refer to Signature Hospital Corporation and/or its affiliates, as applicable.

TABLE OF CONTENTS

Code of Conduct

Our Mission

Letter from the CEO

Quality of Care

Compliance with Laws and Regulations

Conflicts of Interest

Protection of Property

Consideration of Human Resources

Communication

Billing and Coding

Addressing Issues and Concerns

Involving Fraud or Illegal Conduct

Other Concerns

Employee Acknowledgement

OUR MISSION

Signature Hospital Corporation is committed to setting the standard of excellence in healthcare delivery by consistently achieving, on a measurable basis, superior levels of high-quality care, customer service and patient outcomes while optimizing shareholder value, and at all times exemplifying the highest standards of ethical and professional conduct.

DEAR COLLEAGUE:

Signature is committed to compliance with the laws and regulations affecting the healthcare industry and adherence to the highest ethical standards in the conduct of its business. This commitment, which originated from the board of directors and senior management, resulted in the development of a company-wide comprehensive Corporate Compliance Program. This Compliance Program is to be incorporated into our daily operations and ingrained throughout our corporate culture.

At the heart of an effective corporate compliance program is a code of conduct. Developed to ensure the highest ethical standards and compliance with the law, our Code of Conduct affirms that conduct in accordance with the highest ethical standards and uncompromising integrity are the underpinnings of our corporate mission. It sets forth guidelines for the performance of our daily activities and requires our adherence to the Company's policies, procedures and other materials which govern our professional and business conduct as well as compliance with applicable laws. Regardless of our rank or status, and whether we are employed at the corporate offices, a hospital clinic, home health agency, or other Signature facility, accordingly, we are each subject to the Code of Conduct. We are each required to read and comply with the Code of Conduct, and to conduct ourselves in a manner reflecting the highest ethical standards and to comply with applicable policies, procedures, laws, rules and regulations. Moreover, we each have a duty to report our concerns regarding compliance matters, including any violation thereof.

You may report your concerns without fear of retaliation or reprisal. Retaliation or retribution against any employee for reporting a concern is strictly prohibited, and anyone found violating this prohibition will face severe disciplinary measures including, but not limited to, termination. Similar disciplinary measures will also be taken should an employee fail to comply with all state and federal health care program requirements and with Signature's policies and procedures, or fail to report such noncompliance. The Company has designated a Corporate Compliance Officer who is responsible for

oversight of the Compliance Program. If your concern cannot be resolved through established channels or chain of command, or you are not comfortable reporting the concern through such channels or chain of command, you may report your concerns through the Compliance Hotline. The Compliance Hotline number is

The highest echelon of Signature management is committed to properly addressing your concerns and working with you to build a healthcare system that provides superior quality services while maintaining the highest standards of ethics and integrity. Through our conduct, consistent with such values, we shall demonstrate that Signature is a responsible, trustworthy healthcare provider, of which we can all be proud.

Sincerely,

Charles R. Miller
President, Chief Executive Officer
May 26, 2006

QUALITY OF CARE

We are committed to providing high quality, safe health care and delivering health services in an ethical, professional and cost-effective manner. We will not ignore any actual or perceived quality-of-care issues that threaten to compromise the safety and welfare of patients.

1. We recognize the rights of all patients to receive high quality care without discrimination due to race, creed, gender, religion, national origin, disability age, payor source, or ability to pay.
2. We treat every patient with dignity respect, and compassion at all times.
3. We respect patient rights to informed consent. Informed consent for procedures is obtained only after clear communication and explanation to the patient. We understand that informed consent is a continuing communication process and responsibility, not just a form.
4. We endeavor to only engage the services of employees, including contract employees, who possess the credentials, experience and expertise to meet the needs of patients.
5. We consult with duly authorized licensing and disciplinary authorities to be sure we do not employ any individuals nor do business with any entities that have been sanctioned by any of the applicable regulatory agencies.
6. We provide health care services in compliance with all applicable laws, regulations and professional and ethical standards.
7. We operate as efficiently as possible, but will not compromise safe care to reduce cost.
8. We recognize that patients have the right to receive information regarding their rights and our policies, procedures and charges.
9. We recognize that patients have the right to know the identity and qualifications of the personnel who provide services to them.
10. We respect the right of patients, or their legal representatives, to participate in decisions regarding their health care, including the refusal of treatment to the extent permitted by law. We inform the patient of the consequences of such action.
11. We ensure the right of patients to voice their complaints/concerns about care and services provided.

12. We ensure that patients are fully informed of their options with respect to any outside referral, such as a home health agency.
13. We ensure that clinical decision-making is based on patients' needs and is not influenced by financial incentives.
14. We recognize the right of patients to pain management, and we adhere to established guidelines and protocols to properly assess and effectively manage pain.
15. We ensure that patients presenting for emergency medical treatment are provided care and treatment within our service capability, regardless of ability to pay, in compliance with EMTALA and other laws, regulations and Signature's policies and procedures.
16. We comply with such standards and procedures as are set forth in the JCAHO guidelines as required to remain accredited by JCAHO.

COMPLIANCE WITH LAWS AND REGULATIONS

We operate in accordance with all applicable laws and regulations in order to maintain the integrity of the company and its operations. We have the duty to report any actual or perceived violation of applicable laws, regulations and professional standards.

17. We do not pursue any business opportunity that would involve illegal activity or that we believe may be in violation of any law, rule, regulation or Signature's policies and procedures.
18. We do not solicit, accept, offer to give or give anything of value to employees, physicians, or other healthcare professionals for referrals of patients. Kickbacks, bribes, rebates or any kind of benefits intended to induce referrals are strictly prohibited.
19. We ensure that fair market value analyses for services are approximately and accurately conducted, and that payments or other benefits provided to clinicians, medical directors and potential or actual referral sources are made only for the fair market value of documented services rendered.
20. We adhere to sound environmental and safety practices, as well as the proper handling of medical or hazardous waste, including radioactive materials.

21. We ensure that our contracts conform with state and federal anti-kickback statutes, and Stark Laws and that they reflect the actual arrangements between the parties by having them reviewed by legal counsel in accordance with Signature's Contract Review Policy and other applicable policies and directives.
22. We ensure that all drugs or other controlled substances used in treatment of patients are maintained, dispensed, and transported in conformance with all applicable laws and regulations. This includes ensuring that drugs are safely stored, secured and inventoried.
23. We ensure that all accounting, reimbursement or financial reporting functions are performed accurately and in conformance with all applicable laws, regulations, Signature's policies and procedures and professional standards. We take reasonable precautions to guard against falsification or misrepresentation of financial records and reports.
24. We are familiar with the applicable laws which govern matters pertaining to our respective duties, and we understand that this familiarity is a requirement of our job and a regular part of our performance evaluation.
25. We shall report to the Corporate Compliance Officer, or designee, all suspected violations of any state or federal health care program requirements or of Signature's own policies and procedures.
26. We ensure that all payment or other remuneration to physicians comply with state and federal health care program requirements.

CONFLICTS OF INTEREST

We take all necessary steps to avoid conflicts or the appearance of conflicts between private interests and the official responsibilities of our duties. We have a duty to report actual or perceived conflicts of interest.

27. We avoid engaging in any activity, practice, or act which violates the Signature Conflict of Interest Policy.
28. We engage in outside employment only after ensuring that it does not conflict with employment at Signature.

29. We do not do business with any firm in which we, our families, or our close business and personal associates have a direct or indirect interest without disclosure and proper prior written approval.
30. We make no investment in nor engage in any business transaction with an organization that is a potential competitor, supplier, or customer of Signature without disclosure and proper prior written notice.
31. We give and/or accept only those gifts which do not violate the Company's Gift Policy.

PROTECTION OF PROPERTY

We are committed to protecting the Company's assets and the property of patients, employees, and visitors against loss, theft, and misuse. We have a duty to report any actual or perceived misuse, loss or theft of property.

32. We are responsible for preserving and protecting the confidentiality of proprietary Company information, and we do not use or distribute any such information outside the context of our official duties and Signature's policies and procedures.
33. We have an affirmative duty to protect assets and assure proper use of the property, facilities, equipment and supplies of the Company.
34. We take all reasonable steps to safeguard the property of patients, employees and visitors.
35. We follow established internal control procedures in handling and recording all funds, and we are responsible and accountable for the proper expenditure of Signature funds.
36. We dispose of surplus or obsolete property in accordance with Signature's policies and procedures.

CONSIDERATION OF HUMAN RESOURCES

We are committed to helping all employees achieve their fullest potential in a fair and equitable manner and protecting them from discriminatory behavior. We have a duty to report any actual or perceived mistreatment, discrimination or hostile activity occurring in the work place.

37. We ensure equal employment and advancement opportunities regardless of gender, age, disability, race, creed, religion or national origin.
38. We treat one another with respect, dignity and fairness, appreciating the diversity of our work force and the uniqueness of each employee.
39. We do not tolerate sexual harassment, such as sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature which creates a hostile work environment.
40. We use our time productively on job-related activities during work hours.
41. We maintain a drug-free work place.
42. We take all reasonable precautions to ensure our safety as well as the safety of patients, visitors and other personnel.
43. We participate regularly in training and educational programs designed to increase our professional skills and competency, including our understanding of the applicable legal and ethical considerations.
44. We provide training and educational programs necessary for our employees to achieve the knowledge and skills required to perform their jobs, and we foster an environment where training and education of our personnel is deemed an integral aspect of our corporate duties.
45. We consider the promotion of and adherence to the Code of Conduct as an element in evaluating the performance of our employees.

COMMUNICATION

We encourage open, timely and candid communication as well as collaboration among employees, departments, and physicians. We have a duty to openly communicate and maintain an environment founded on teamwork.

46. We take reasonable steps to ensure that all statements, communications and representations made in the course of patient care or business dealing are substantially complete, accurate, and in compliance with all applicable laws and regulations.

47. We encourage employees to communicate any suspected Code of Conduct violations without fear of retaliation or retribution or, if reported anonymously, without fear of disclosure or breach of their confidentiality, up to the limits of the law.
48. We consider all patient information to be private and strictly confidential. We are responsible for protecting the confidentiality of patient records and do not use or reveal any such information outside the context of our official duties and Signature's policies and procedures.
49. We comply with Signature's policies and procedures with respect to communication matters, including receipt (at work or at home) of an inquiry, subpoena, search warrant or other government or agency request for information.
50. We comply with Signature's policies and procedures with respect to preservation of documents and record retention.
51. We comply with Signature's policies and procedures with respect to handling inquiries by the media.
52. We comply with Signature's policies and procedures with respect to communication relevant to or in the context of litigation.
53. We fully cooperate with any internal investigation, and we do not withhold information or documents sought in connection with such investigation.
54. We conduct our communications, promotional and marketing activities in accordance with ethical standards and guidelines, and applicable laws, regulations and Signature's policies and procedures.

BILLING AND CODING

We are committed to honesty, accuracy and integrity in all of our billing, coding and documentation activities. We have a duty to report any actual or perceived false, fraudulent, inaccurate or fictitious claims or documentation.

55. We are committed to developing and submitting claims that are accurate and in full compliance with all state and federal health care program requirements.

56. We submit for payment or reimbursement only claims for services actually rendered that are fully documented in patients' medical records, including medical necessity, and we use only the codes that accurately describe the services provided.
57. We maintain and require the maintenance of complete and accurate patient medical records supporting all medical decisions including the medical necessity of all diagnostic testing and treatment.
58. We are committed to engaging only in accurate and truthful billing practices. We do not tolerate the submission of claims for payment of any kind that are false, fraudulent, inaccurate, misleading or fictitious.
59. We take immediate steps to alert appropriate personnel if inaccuracies are discovered in claims that have been submitted for payment or reimbursement, and we promptly submit a corrected claim and refund any money that is not due us.

ADDRESSING ISSUES & CONCERNS INVOLVING FRAUD OR ILLEGAL CONDUCT

All concerns or allegations of possible violations of the Code of Conduct, policies/procedures, laws, or regulations will be received openly and courteously. There will be no direct or indirect retaliation or retribution against anyone who, in good faith, raises such problems or concerns.

If you have a concern regarding conduct that you suspect to be illegal or fraudulent occurring anywhere in the company, you should immediately report this concern. This report should be made through your chain of command; however, if you are not comfortable reporting such concern through your chain of command, you should call the toll-free Compliance Hotline. The Compliance Hotline is intended to identify and address fraudulent and illegal conduct as quickly and effectively as possible. The Compliance Hotline is available to any employee to report any problems or concerns in good faith, without fear of retaliation or reprisal, although it is not intended to replace the normal chain of command.

OTHER CONCERNS

If your concerns do not involve fraud or violations of law, but may involve possible violations of policy of the Code of Conduct, the following procedures should be utilized until resolution of the concern is achieved:

60. First, contact your direct supervisor/manager unless there are circumstances that preclude your doing so. Your supervisor/manager is in a good position to listen to you and understand the concerns you have and should be given the opportunity to resolve the issue. Your supervisor/manager has access to resources throughout the Company and is required to assist you in upholding the Code of Conduct.
61. Second, if you have raised an issue and you do not think it is getting proper attention, or if your supervisor/manager cannot find the appropriate answer in a timely manner, you may relate your concern to the next level of management.
62. Third, seek guidance from your Human Resources Department, and/or the appropriate Executive Staff member.

If assistance is still needed, or if you are uncomfortable with taking the above steps, call the Signature Compliance Hotline at

It may be helpful to ask yourself the following questions first:

63. Do I have all the facts?
64. If I need more information, where do I find it?
65. Are there any laws, regulations, policies or procedures that apply to the situations?
66. Have I followed normal procedures to try to resolve my concern?

Your right to call the Compliance Hotline is not dependent on the answer to the above questions (for example, it is not required that you “have all the facts” before calling the Compliance Hotline), but such forethought may aid in the resolution of your concern.

Communications through the Compliance Hotline are anonymous unless you disclose your identity. Anonymity, however, cannot be guaranteed if your communication is by any means other than the Compliance Hotline. Nevertheless, if your identity is revealed, all reasonable efforts will be made, within the limits of the law, to preserve the confidentiality of your identity.

Employees who violate the Code of Conduct will be subject to disciplinary action up to and including termination.

Signature requires all employees to sign an acknowledgement confirming they have received a copy of the Code of Conduct, and understand that compliance with the provisions contained in the Code of Conduct are mandatory. New employees will be required to sign such an acknowledgement as a condition of employment.

EMPLOYEE ACKNOWLEDGEMENT

Instructions: Each Employee of Signature Hospital Corporation is required to complete this Employee Acknowledgement.

I, _____ am employed by Signature Hospital
(print name)

Corporation or its affiliate, _____
(name of affiliate, if applicable [1])

Located at _____
(city and state)

My position or job title is _____
(title)

My home address and phone number is: _____
(street address, apt. no).

(city, state, zip code)

(telephone number)

I hereby certify that I have received the Signature Code of Conduct and that I have read, understood and will abide by it. I also understand that compliance with the provisions of the Code of Conduct is mandatory.

(signature)

(date)

[1] Do not leave any space blank. If the question is not applicable (e.g. you are employed by Signature, not one of its affiliates, write "N/A" in the space provided).