

125 Worth Street  
New York, N.Y. 10013

# Code of Ethics

NEW YORK CITY  
HEALTH AND HOSPITALS  
CORPORATION

NEW YORK CITY  
HEALTH AND HOSPITALS  
CORPORATION

New York City  
Health and Hospitals  
Corporation

Adopted by the Board of Directors  
January 13, 1983

Reissued June 1997

## Index

Section I	
Establishment of Code .....	2
Section II	
Committee on Conduct and Practices .....	2
Section III	
Definitions .....	5
Section IV	
Conflicts of Interest .....	6
Section V	
Nepotism .....	12
Section VI	
Improper Use of Corporate Funds & Assets .....	14
Section VII	
Sanctions .....	16
Section VIII	
Appeals .....	16
Section IX	
General Provisions .....	17
Section X	
Implementation and Effective Date .....	17

# Code of Ethics

## SECTION I. ESTABLISHMENT OF CODE

The Board of Directors of the New York City Health and Hospitals Corporation hereby establishes a standard of conduct governing the relationship between private interests and the proper discharge of official duties of members of the Corporation's Board of Directors, Corporate Officers, employees, members of the Corporation's Community Advisory Boards, Hospital Auxiliaries, and covered professional and academic affiliate personnel. This standard shall be known as the Code of Ethics of the New York City Health and Hospitals Corporation and become part of the Corporation's official Rules and Regulations.

## SECTION II. COMMITTEE ON CONDUCT AND PRACTICES

A. To implement this Code, there shall be a Committee within the Corporation, known as the Committee on Conduct and Practices, consisting of the General Counsel, the Inspector General, the Vice President of Corporate Affairs, and the Senior Vice President of Medical and Professional Affairs (or their designees). The Chair shall be designated by the members of the Committee.

B. The jurisdiction of the Committee shall not extend to matters arising

under this Code that concern any member of the Board of Directors, whose standards of conduct or requests for advisory opinions shall be exclusively considered by an **ad hoc** committee of disinterested board members appointed by the Chairman of the Board of the Health and Hospitals Corporation on an as-needed basis. This **ad hoc** committee shall have such authority as granted to the Committee on Conduct and Practices by this Section II.

C. The Committee may request the Office of the Inspector General to investigate any matter within the jurisdiction of the Committee and to report the results of such investigation. Any report or information furnished to the Inspector General in accordance with the provisions of this section shall be deemed confidential and shall not be subject to inspection or disclosure in any manner except as expressly authorized by statute or court order.

D. The Committee shall render advisory opinions with respect to questions of ethical conduct, conflicts of interest, action that a person subject to this Code contemplates taking, and other matters arising under this Code. Such advisory opinions shall be rendered on the written request of any person presently or formerly subject to this Code or any supervisor of such person, on the Committee's own initiative, or on the basis of an investigation by the Inspector General. Opinions rendered

under this section are advisory only and shall not be binding on the President or Board of Directors of the Health and Hospitals Corporation, nor may they supervene the statutory powers or prerogatives of the President or the Board of Directors.

E. The Committee shall make public its advisory opinions with such deletions as may be necessary to prevent disclosure of the identity of any involved persons. The records, reports, memoranda, and files of the Committee are deemed confidential and shall not be subject to public inspection.

F. The Committee shall be empowered to call witnesses and to require the production of information from the Officers and employees of the Corporation, and to request such information from individuals, corporations, or associations doing business with the Corporation as an aid in determining matters concerning possible violations or prohibited conduct hereunder or other questionable activities of persons subject to this Code.

G. In any matter in which a member of the Committee has a personal or private interest, or feels for any reason that (s)he cannot decide the matter impartially, (s)he shall disqualify her/himself from the consideration of this matter, and the Chair, with the approval of the President, shall appoint a temporary replacement to serve on the Committee to consider

the specific matter.

H. The Chair of the Committee or a designee shall make a full report to the President concerning any matter considered by the Committee and shall, in appropriate instances, make recommendations for disciplinary or other action. Where willful or knowing intent is clearly shown, the Chair shall so indicate in the report. Reports and recommendations of the Chair under this Section H shall reflect a consensus of the Committee itself.

### SECTION III. DEFINITIONS

A. **Persons subject to this Code** include members of the Corporation's Board of Directors, its Officers and employees (including medical staff), Corporation Hospital Auxiliaries, members of the Corporation's Community Advisory Boards, and covered affiliate personnel. For purposes of this Code, the President shall be covered as an employee of the Corporation and not in his capacity as a member of the Health and Hospitals Corporation's Board of Directors.

Implicit in this Code of Ethics is the recognition of the governmental responsibility of the members of the Board of Directors who serve *ex officio* by virtue of their positions as City officials, such duality of service being mandated by the Corporation's Enabling Act. Accordingly, provisions of this Code shall not be construed to impede the reasonable exercise of those members' official duties and

their fiduciary responsibility to the Corporation.

B. **Covered affiliate personnel** is defined for purposes of this Code as any individual who is furnished to a Corporate facility directly by a professional or academic affiliate to render service at a Corporate facility on behalf of the Corporation.

#### SECTION IV. CONFLICTS OF INTEREST

##### A. Conflicts Prohibited

Except as provided in Section IVB:

(1) no person subject to this Code shall have an interest in any contract with the Corporation when such person has the power or duty to:

- negotiate, prepare, authorize, approve, or review performance under the contract or authorize or approve payment thereunder;
- audit bills or claims under the contract; or
- appoint another person subject to the Code who has any of the powers or duties set forth above; and

(2) no chief fiscal officer, controller, or that person's deputy or subordinate shall have an interest in a bank or trust company designated as a depository, paying agent, or registration agent for funds of the Corporation or designated for investment of funds of the Corporation. The provisions of this section shall not, however, be construed to pre-

clude the payment of lawful compensation and necessary expenses of any person subject to the Code in one or more positions of public employment, the holding of which is not prohibited by law.

##### B. Exceptions

The provisions of Section IVA shall not:

(1) apply to a contract with a person, firm, corporation, or association in which a Corporation Officer or employee has an interest that is prohibited solely by reason of employment as an officer or employee thereof, if remuneration for such employment will not be directly affected as a result of such contract and the duties of such employment do not directly involve the procurement, preparation, or performance of any part of such contract.

(2) prohibit a person subject to this Code from acting as attorney, agent, broker, employee, officer, director, or consultant for any membership corporation or other voluntary not-for-profit corporation or association provided that:

- the not-for-profit entity has no business dealings with the Corporation. As used in this section, **business dealings with the Corporation** shall include any contract, service, work, or business with; any sale, renting, or other acquisition from; and any grant, license, permit, or other privilege from the Corporation, and any perfor-

mance of or litigation with respect to any of the foregoing; and

- such activities by the person subject to this Code shall be performed at times during which that person is not required to perform services for the Corporation; and
- the person subject to this Code receives no salary or other compensation in connection with such activities; and
- the proposed activity does not otherwise constitute a conflict of interest.

(3) apply to a contract with a corporation in which a person subject to this Code has an interest by reason of stockholdings when less than five per centum of the outstanding stock of the corporation is owned or controlled directly or indirectly by such persons subject to this Code.

### C. Certain Acts Prohibited

(1) No person subject to this Code shall:

- directly or indirectly, solicit any gift, or accept or receive any gift, whether in the form of money, service, loan, travel, entertainment, hospitality, thing, or promise, or in any other form, under circumstances in which it could reasonably be inferred that the gift was intended to influence him or her, or

could reasonably be expected to influence him or her in the performance of official duties, or was intended as a reward for any official action on his or her part;

- disclose confidential information acquired in the course of his/her official duties or use such information to further his/her personal interests;
- receive or enter into any agreement, express or implied, for compensation for services to be rendered in relation to any matter before the Corporation;
- receive or enter into any agreement, express or implied, for compensation for services to be rendered in relation to any matter before the Corporation whereby his/her compensation is to be dependent or contingent upon any action by the Corporation with respect to such matter;
- enter into any business or financial relationship with another covered person who is a superior or who is a subordinate of such covered person;
- give opinion evidence as a paid expert against the interests of the Corporation in any civil litigation brought by or against the Corporation.

#### D. Definitions

(1) **Chief fiscal officer** means a controller, director of finance, or other officer possessing similar powers and duties.

(2) **Contract** means any claim, account or demand against or agreement with the Corporation, express or implied, and shall exclude the designation of a depository of public funds and the designation of a newspaper, including but not limited to an official newspaper, for the publication of any notice, resolution, or other proceeding where such publication is required or authorized by law.

(3) **Interest** means a direct or indirect pecuniary or material benefit accruing to persons subject to this Code as the result of a contract with the corporation which such person serves. For the purpose of this section, a person subject to this Code shall be deemed to have an interest in the contract of (a) his spouse, minor children and dependents, except a contract of employment with the corporation which such person serves, (b) a firm, partnership, or association of which such person is a member or employee, (c) a corporation of which such person is an officer, director, or employee, or (d) a corporation any stock of which is owned or controlled directly or indirectly by such person.

#### E. Disclosure

(1) Any person subject to this Code who has, will have, or later

acquires an interest in any actual or proposed contract with the Corporation shall publicly disclose the nature and extent of such interest in writing to the Committee as soon as (s)he has knowledge of such actual or prospective interest. Such written disclosure shall be made part of and set forth in the official record of the Committee. Once disclosure has been made with respect to an interest in a contract with a particular person, firm, corporation, or association, no further disclosures need be made by such person with respect to additional contracts with the same party during the remainder of the fiscal year.

(2) Disclosure shall not be required in the case of an interest in a contract described in Section IVB.

#### F. Compensation

(1) No person who is, or has been, subject to this Code, shall, while in a covered relationship or within a period of three years after expiration of his/her covered relationship with the Corporation, receive compensation for any services rendered on behalf of any person, firm, corporation, or other entity, in relation to any case, proceeding, or application or other matter with respect to which (s)he was directly concerned during his/her covered relationship with the Corporation.

(2) As used in this Section IVF, **directly concerned** means (a) personal participation by the person subject to the Code, wherein (s)he



had authority to exercise discretion or independent judgment as could affect the transaction of business or (b) when the covered individual, without such authority, acquired confidential information while employed to work on a particular matter provided, however, the establishment or continuation of a doctor/patient relationship that arose while the physician was in a covered relationship with the Corporation under this Code shall not be proscribed.

## SECTION V. NEPOTISM

A. For the purpose of this Code:

(1) whenever there are two or more relatives working in the same facility, no more than one of them shall be assigned to work in the same unit, even if no supervisory relationship exists;

(2) no individual employed by the Corporation shall be involved in the hiring or employment of a near relative;

(3) no individual employed in the Corporation shall supervise a near relative;

(4) no Executive Director, Department Head, Cost Group Manager, Cost Center Manager, or their deputies, shall supervise a near relative, directly or indirectly;

(5) whenever a situation defined in this Section V arises, the employees involved must report the relationship so that appropriate action can be taken;

(6) the President (or designee) may waive this policy where (s)he

believes that such a waiver will serve the best interest of the Corporation;

(7) nothing in this Section V shall be deemed to prohibit the employment of a qualified individual when such employment will not create a conflict of interest as specified in this Code.

B. Nothing in this Section V shall supersede Civil Service Law of the State of New York, the Rules and Regulations of the NYC Health and Hospitals Corporation, or applicable collective bargaining agreements relating to the transfer of employees.

C. Effective the date of the issuance of this Code, no assignments to any location in violation of this policy shall be made.

D. Definitions

(1) **Near relatives** is defined, for purposes of this Code, as spouse; natural, foster, or stepparent; child, stepchild; brother or sister; father-in-law; mother-in-law; daughter-in-law; son-in-law; sister-in-law; brother-in-law; aunt; uncle; nephew; niece; grandparent; or grandchild.

(2) **Hire or employ** is defined, for purposes of this Code, as any substantial participation in the hiring, selection, promotion, or termination process, including requesting or approving employment or compensation, or the selection process involving evaluation of the credentials or experience of another individual.

(3) **Supervise** is defined, for the

purpose of this Code, as giving, furnishing, or directing work assignments, ratings, approval of ratings, evaluation of performance, recommending completion of probationary service or continuance in service beyond mandatory retirement age, or making decisions regarding working conditions, benefits, or privileges of another individual.

## SECTION VI. IMPROPER USE OF CORPORATE FUNDS & ASSETS

A. The funds and assets of the Corporation shall not directly or indirectly be used for illegal or improper payments of any kind.

B. The funds and assets of the Corporation shall not be used directly or indirectly for payments, gifts, or gratuities of any kind, whether legal or illegal, which indirectly or directly inure improperly to the personal benefit of any agent or employee of any entity with which the Corporation does business.

C. The funds and assets of the Corporation shall not be used directly or indirectly for political contributions whether legal or illegal. The term **political contribution** is used in its broadest sense and includes but is not limited to local, state, or national fundraising dinners, banquets, raffles, or any funds or gifts (including the free use or discounted use of property or services) that could be routed

directly or indirectly to a political candidate, party, committee, or organization. This section is not intended to limit or otherwise restrict lawful personal political activity of persons subject to this Code or political contribution through authorized payroll deductions.

D. No person subject to this Code shall willfully cause the Health and Hospitals Corporation to enter into any agreement with dealers, vendors, distributors, agents, or consultants: (1) which are not in compliance with the statutes of the State of New York and applicable local laws that may be involved or (2) which provide a commission rate or fee that is not reasonable and commensurate with the function or services to be rendered.

E. The funds and assets of the Corporation shall be properly and accurately recorded on books and records of the Corporation in accordance with generally accepted accounting practices. No person subject to this Code shall willfully make false or artificial entries in the books and records or accounts of the Corporation, nor, on behalf of the Corporation, make or approve payments with the intention or understanding that any part of the payments may be used for any purpose other than described in documents supporting the payment.

## SECTION VII. SANCTIONS

### A. Corporation Contracts

Consistent with the requirements of applicable statutes, any contract willfully entered into by or with the Corporation in which there is an interest prohibited by this Code shall be voidable at the option of the President or where appropriate, the Board of Directors of the Corporation, on the recommendation of the President, based on an opinion of the Committee.

### B. Disciplinary Action

Where a provision of this Code is clearly shown to have been violated by a covered person, the Committee shall so indicate in its report or advisory opinion. Depending on evidence of knowing or willful intent by the covered individual, appropriate advice or recommendation of disciplinary action shall be made. Corrective action, based upon the circumstances of each case, shall be taken by the President or the Board of Directors (as applicable) consistent with the provisions of this Code and applicable laws.

## SECTION VIII. APPEALS

A. Any member of the Corporation's Board of Directors who disagrees with the joint decision of the Chair and President based upon the recommendations of the *ad hoc* committee may appeal such decision to the full Board of Directors, who shall be empowered to hear the facts

of this matter *de novo* if it determines, in its discretion, that it is necessary to do so. Any member who is or may be affected by a decision in this matter may not vote or take part in any decision by the Board of Directors that concerns this matter.

B. Any other individual subject to this Code who disagrees with the decision of the President with respect to the recommendation of the Committee, may exercise such appeal rights as are provided under applicable statutes, prevailing contracts, or pre-existing bylaws, rules or regulations.

## SECTION IX. GENERAL PROVISIONS

A. No provisions under this Code shall be construed to prevent the referral of any matter for professional sanction, criminal or civil action.

B. The provisions of the Code are intended as guidelines of standards of conduct of persons subject to this Code, and insofar as the provisions of this Code are inconsistent with any law (general, special, or local) or applicable rules or regulations, the provisions of any such law, rule or regulation shall be controlling.

## SECTION X. IMPLEMENTATION AND EFFECTIVE DATE

A. This Code of Ethics shall take effect following its approval by the

Board of Directors of the Corporation upon ten (10) days written notice appropriately posted throughout the Corporation, including but not limited to all Central Administration offices, health facilities, hospitals, and Community Advisory Board offices. Copies of this Code shall be distributed to all persons subject to this Code within one month of its adoption by the Board of Directors and shall thereafter be made available to all persons who are subsequently subject to this Code.

B. The Committee on Conduct and Practices shall issue such regulations as shall, from time to time, be required to implement this Code, including reporting requirements and forms, and the requesting and granting of waivers when appropriate. Amendments to this Code shall be promulgated and implemented by the Board of Directors. Any questionnaire or form that the Committee requires to be submitted by a person subject to this Code is deemed confidential and shall not be subject to inspection or disclosure in any manner except as expressly authorized by statute or court order.

*Requests for Advisory Opinions  
under the Code of Ethics  
may be filed, in writing, with the  
**Secretary to the Corporation**  
**Room 528**  
**125 Worth Street**  
**New York, NY 10013***