

# **HEALTHCARE FINANCIAL MANAGEMENT ASSOCIATION**

## **Code of Ethics Policy and Procedure**

### **Policy**

When becoming a member in HFMA, an individual agrees to abide by the HFMA Code of Ethics, and to not engage in activities that are detrimental to the Objectives of the Association. According to the HFMA Bylaws, final determination of violations of the Code of Ethics or actions that are detrimental to HFMA's objectives (Violations) rests with the National HFMA Board of Directors. The board will endeavor to execute fairly this responsibility with the procedure defined below:

### **Procedure**

1. The Board of Directors will designate the National Secretary/Treasurer as the board member responsible to oversee this policy and procedure. The Secretary/Treasurer and President will maintain ongoing communications regarding new or pending potential violations.
2. Members of the Association will be notified of this policy and procedure at least annually as defined by the board. The notification will include the name and address of the HFMA Secretary/Treasurer as the contact point for issues involving potential Violations.
3. The President will maintain a system to monitor routinely major hospital and certain other healthcare trade periodicals for issues involving members of HFMA that may constitute Violations. The President also will monitor correspondence received by the Association for potential Violations. Written correspondence must be signed by the individual making the charges (who will be considered the Complainant) and must contain appropriate documentation if available. Anonymous complaints submitted without documentation will not be pursued. Oral complaints must be put into writing with appropriate documentation provided by the Complainant if available. Documentation can include, but is not limited to, signed affidavits, court documents, other legal documents or credible newspaper or other periodical accounts that describe the issues in question. A complaint form can be obtained by contacting the HFMA Office of the President
4. All Complainants will be told that a copy of their complaint will be shared with the Charged Party. If the Complainant refuses to permit the complaint to be shared, the process will proceed only if the HFMA Secretary/Treasurer determines that the Charged Party can be fully informed of the details of the accusation without disclosing the Complainant. An example of this situation could be a news article either submitted or found via literature search about a legal action against the Charged Party where no further corroboration is required.
5. Issues identified through this system may be further investigated by the President's office, with legal consultation, to gather additional documentation, speak with the Complainant, and/or the individual in question as appropriate. Information gathered

during this investigation will be shared with the Secretary/Treasurer. If the President or the Secretary/Treasurer has a conflict of interest, the Chair will appoint a member of the Executive Committee to take on that individual's responsibilities.

6. The President will prove a copy of the Complaint Form, with appropriate documentation to the Charged Party and request a written response within 15 days of the date of the request.
7. If, in the opinion of the Secretary/Treasurer, the issues constitute a potential Violation, the President will become the Charging Party for purposes of this procedure. (If the President is the member in question, the Chair will appoint another member of the board to serve as the Charging Party.)
8. If the issue is identified as a potential Violation, it will be added to the agenda of the Executive Committee. The Executive Committee is defined by the Bylaws as being responsible for the determination of whether an individual should be charged with a Violation (Charged) for an action or actions that occurred while that individual was a member of HFMA. However, only the board can find the Charged Party guilty of the Violation and impose disciplinary action. Issues occurring while an individual was not a member but involving a potential violation of HFMA's Code of Ethics, or an action detrimental to HFMA's Objectives may also constitute grounds for non-reinstatement or denial of membership.
9. The President will present the facts concerning the potential violation to the Executive Committee. If a member of the Executive Committee is Charged or is a Complainant, or has a conflict of interest, that member may not participate in the committee's deliberations on the issue, or vote. If a simple majority of the committee members eligible to vote at a meeting where a quorum is present, determine that there was a Violation, the committee will find that member Charged (Charged Party) and direct the President to so inform the Charged Party and provide the Charged Party an opportunity to resign from the Association. If the Charged Party does not resign, does not respond, or requests a hearing before the board, the issue will be added to the agenda of the next regular or special board meeting provided that at least 30 days' notice is provided to the Charged Party prior to the board meeting (Article I, Section 5 of the HFMA Bylaws)
10. Board Hearing Procedure:
  - a. Presiding Officer - The Chair or the Chair's designee shall be the Presiding Officer and shall determine the order of procedure during the Hearing, make all required rulings, and maintain decorum. If the Chair is the Charged Party or the Complainant, the Chair-elect shall be designated as the presiding officer. Only one Charged Party will be considered at one time for a hearing before the board. Any Board member who has a conflict of interest may not participate in the hearing. Neither the Complainant nor any witnesses shall be permitted to attend.

- b. Representation - During the hearing, HFMA and the Charged Party, shall be represented by legal counsel or other individuals.
- c. Rights of Parties - During the hearing, the Charged Party may be provided at least 30 minutes to present a defense, including any statements by legal counsel.
- d. Quorum - At least two-thirds (2/3) of the current board (9 of 13 members) must be present in person to declare a quorum for the hearing and to take action against the Charged Party. If the Chair, president or any board member is the Charged Party, or Charging Party, their presence is not counted in the quorum count.
- e. Oral Statements – The Charged Party may appear personally and make oral statements and submit evidence in favor of their position. The Presiding Officer may set reasonable time limits on the length of any oral statements. Members of the Board may direct questions to the Charged Party during these oral arguments.
- f. Written Statements - The Charged Party, Charging Party, and Complainant each may submit a written statement relating to the issues for which the member was Charged. This written statement shall be submitted to the Presiding Officer, at least, fourteen (14) days prior to the scheduled date of the hearing.
- g. Deliberations - Upon the conclusion of oral statements, if any, the hearing will be concluded, and the remainder of the meeting will be in closed session of the board. The president or a board member designated by the Chair, serving as the charging party, will be allowed to remain for the deliberations but will not be allowed to vote. The charged member may not remain for the discussion even if the charged member is a board member.
- h. Vote and Final Decision - A majority of the current board (7 of 13 members) is required to find a Charged Party guilty of a violation or violations of the Code of Ethics or of actions that are detrimental to the objectives of HFMA or both. If the Charged Party or the Complainant is a board member, that individual may not vote. The action of the board is final with no rights of appeal or reversal.

According to the HFMA bylaws, the board has the responsibility for determining the appropriate disciplinary action to be imposed for a Violation. The board may admonish, suspend, or expel the member.

- Admonishment means to warn; to indicate duties or obligations to be met; to express warning or disapproval of actions.
- Suspend means to temporarily remove for a set period of time. Requirements for reinstatement may be defined as part of this action.
- Expel means to remove; to take away permanently rights and privileges. No option for reinstatement is provided.

If the board determines that the Charged Party is guilty of a Violation, the President shall inform the Charged Party of the determination and the proposed disciplinary action, and the Charged Party shall be given the opportunity to resign. If they choose not to, the disciplinary action shall be carried out and the member's record will be marked reflecting such action.

### **Reinstatement of Membership**

Upon request for reinstatement for membership by an individual who was the subject of a disciplinary action, or who resigned from HFMA, after having been determined to be guilty of a Violation, the President shall request documentation from the individual to include where applicable:

- Findings or judgments of convictions being reversed or otherwise set aside or invalidated,
- Evidence of completion of sentence and probation, payment of fines, evidence of rehabilitation
- Reasons for requesting reinstatement
- Other information determined by the President to be relevant to the question of reinstatement.

The President shall consult with legal counsel and make a recommendation to the board regarding acceptance of the reinstatement.

*Adopted: Board of Directors - November 5, 1992*

*Revised: Board of Directors – June 16, 2009*

*Revised: Board of Directors – November 9, 2009*

*Revised: Board of Directors – June 22, 2015*

*Revised: Board of Directors - January 25, 2022*