

## Policy 10.5

<b>POLICY TITLE:</b> CODE OF CONDUCT	<b>POLICY # 10.5</b>		
<b>Topic Area:</b> Board of Directors		<b>REVIEW DATES</b>	
<b>Applies to:</b> Board of Directors	<b>Issued By and Approved By:</b>	11/18/21	
<b>Review Cycle:</b> Annually	Board of Directors		
<b>Developed and Maintained by:</b> CEO and Designees			
<b>Supersedes:</b> N/A	<b>Effective Date:</b> 9/17/16	<b>Revised Date:</b> 11/18/21	

### I. POLICY

It is the policy that each Lakeshore Regional Entity (the "Entity") Board of Directors member represent the interests of the Entity. This accountability supersedes any potential conflicts of loyalty to other interests including advocacy or interest groups, membership on other boards, relationships with other's or personal interests of any Board Director.

1. Each of the Entity Board of Directors will follow the Entity Conflict of Interest Policy
2. Each of the Entity Board of Directors may not attempt to exercise individual authority over the organization except as explicitly set forth in the Entity Board of Directors policies.
  - a. Each of the Entity Board of Directors interaction with the Entity Chief Executive Officer (CEO) or with the Entity staff must recognize the lack of authority vested in individuals except when explicitly the Entity Board of Directors-authorized.
  - b. Each Entity Board Director's interaction with public, press or other entities must recognize the same limitation and the inability of any Entity Board of Director to speak for the Entity Board of Directors.
  - c. Each Entity Board Director commenting on the agency and the Entity CEO performance must be done collectively and as regards to explicit Entity Board of Directors policies. Any comments regarding the Entity and/or the Entity CEO performance must be done collectively as related to the policies.
3. Each Entity Board Director will respect the confidentiality appropriate to issues of a sensitive nature including, but not limited, to those related to business or strategy.
4. Confidentiality: Each Entity Board Director shall comply with the Michigan Mental Health Code, Section, 330.1748, & 42 CFR Part 2 relative to substance abuse services, and any other applicable privacy laws (Materials can be found by contacting the Entity Compliance Department)
5. Each Entity Board Director will be properly prepared for the Entity Board of Directors deliberation.

6. Each Entity Board Director will support the legitimacy and authority of the final determination of the Entity Board of Directors on any matter, without regard to the Entity Board Director's personal position on the issue.
7. Delegation of Authority: The Entity Board of Directors will use due care not to delegate substantial discretionary authority to individuals whom they know, or should have known through due diligence, have a propensity to engage in illegal activities.
8. Excluded Individuals: Persons who have been excluded from participation in Federal Health Care Programs may not serve as an Entity Board Director. Each Entity Board Director becomes responsible for notifying the Entity Corporate Compliance Department if they believe they will become an excluded individual. Each Entity Board Director is responsible for providing information necessary to monitor possible exclusions. The Entity shall periodically review the Entity Board Director's names against the excluded list per regulatory and contractual obligations.
9. Each Entity Board Director will read and seek to understand the Entity Compliance Plan and Code of Conduct.
  - a. The Entity Board of Directors have a duty to report to the Entity Chief Compliance Officer any alleged or suspected violation of the Entity Board of Directors Code of Conduct or related laws and regulations by themselves or another Entity Board Director.
  - b. The Entity Board of Directors may seek advice from the Entity Board of Directors Chairperson or the Entity Chief Compliance Officer concerning appropriate actions that may need to be taken to comply with the Code of Conduct or Compliance Plan.
  - c. Reporting Suspected Fraud: The Entity Board of Directors must report any suspected "fraud, abuse or waste" (consistent with the definitions as set forth in the Compliance Program Plan) of any Entity funding streams.
  - d. Failure to comply with the Entity Compliance Plan and the Entity Board of Directors Code of Conduct may result in the recommendation to a participant CMHSP Board the member's removal from the Entity Board of Directors.
  - e. The Entity Board Directors will participate in required Entity Board of Directors compliance trainings.
  - f. The Entity Board of Directors will establish and encourage throughout its region, cultures that promote prevention, detection, and resolution of instances of misconduct in order to conform to applicable laws and regulations.
  - g. The Entity Board of Directors shall cooperate fully in any internal or external Medicaid or other LRE funding stream compliance investigation.

## II. PURPOSE

The Entity Board of Directors commits itself to ethical, lawful, and businesslike conduct including proper use of authority and appropriate decorum when acting as an Entity Board Director.

**III. APPLICABILITY AND RESPONSIBILITY**

This policy applies to the Entity Board of Directors.

**IV. MONITORING AND REVIEW**

This policy is reviewed by the CEO and designees on an annual basis.

**V. DEFINITIONS**

**Conflict of Interest:** Any actual or proposed direct or indirect financial relationship or ownership interest between each individual director and any entity with which the Entity has or proposes to have a contract, affiliation, arrangement, or other transaction.

**VI. RELATED POLICIES AND PROCEDURES**

- A. Conflict of Interest Policy
- B. Compliance Plan
- C. Board By-Laws

**VII. REFERENCES/LEGAL AUTHORITY**

- A. MDHHS Medicaid Specialty Supports and Services Contract
- B. 42 CFR Part 2
- C. Michigan Mental Health Code

**VIII. CHANGE LOG**

Date of Change	Description of Change	Responsible Party
11/18/21	Add references	CEO and Designees