

COMMUNITY MENTAL HEALTH AUTHORITY

ADMINISTRATIVE POLICY AND PROCEDURES MANUAL				
Chapter Organizational Quality	Section Organizational Leadership	Chapter 01	Section 02	Subject 09A
Subject Violations of Ethical Standards	Authorization		Approved: 11/26/19 Replaces: 12/18/18	

Reviewed/No Updates: November 2021

- I. **PURPOSE:** To establish policies and procedures regarding ethical standards and violation of such ethical standards.

- II. **APPLICATION:** All Community Mental Health Authority (CMHA) Board members, employees, contracted providers, volunteers, and interns.

- III. **DEFINITIONS:** Ethical Standards: Conforming to professional standards of conduct.

- IV. **POLICY:** All CMHA Board members, employees, contracted providers, volunteers, and interns shall adhere to the ethical standards of behavior. Ethical standards include professional responsibilities, business, marketing, contractual relationships, conflicts of interest, use of social media, service delivery, human resources (personal behavior), organizational fundraising, and the prohibition of waste, fraud, abuse, and other wrongdoing.

- V. **PROCEDURE:**
 - A. The Board, employees, contracted providers, volunteers, and interns must conform to ethical and legal standards to abide by the law and to preserve CMHA’s integrity and reputation. Failure to adhere to this policy may result in disciplinary action, up to and including discharge from employment and/or appointment. The following areas should be of particular concern:
 - 1. Conflicts of interest. Board members, employees, contracted providers, volunteers, and interns are prohibited from partaking in any activity or association that creates or appears to create a conflict between the individual’s personal interests and the agency's interests. In addition, individuals must not allow any situation or personal interests to interfere with the exercise of independent judgment or with that individual's ability to act in the best interests of CMHA. Board members, employees, contracted providers, volunteers, and interns will further follow procedures as outlined in the agency’s Conflicts of Interest policy (#01-02-08).

 - 2. Investments. Board members, employees, contracted providers, volunteers, interns, and their immediate family are prohibited from investing in any of CMHA’s suppliers or contractors unless the securities are publicly traded and the investments are on the same terms available to the general public and not based on any "inside information". This prohibition applies to all forms of investments and to all Board members, employees, contracted providers, volunteers, interns, directors, officers, and agents of CMHA and their immediate family.

In general, Board members, employees, contracted providers, volunteers, and interns should not have any financial interest in a supplier or contractor that could cause divided loyalty, or even the appearance of divided loyalty.

3. *Gifts of nominal value.* Board members, employees, contracted providers, volunteers, and interns may not give or receive any gifts to or from any client, supplier, or contractor other than a gift of nominal value, which means a retail value of no more than \$25 with a maximum of \$300 per year, or intended to affect the recipient's business decision with CMHA. The item(s) may not be cash or cash equivalents.
 - a) It is impermissible and may be unlawful to give, offer, or promise anything of value for the purpose of influencing someone in connection with agency business or an agency transaction. Similarly, it is impermissible and may be unlawful to solicit, demand, or accept anything of value with the intent of being influenced or rewarded in connection with any CMHA business or transaction. Therefore, no Board member, employee, contracted provider, volunteer, or intern may give or receive any gift if it could reasonably be viewed as being done to gain a business advantage.
 - b) Board members, employees, contracted providers, volunteers, and interns are not prevented from incurring normal business-related expenses or from accepting personal mementos of minimal value. It is acceptable to occasionally allow a supplier or contractor to pay for a business meal. Such meals should not exceed \$20.
4. *Outside employment.* No Board member, employee, contracted provider, volunteer, or intern may serve as an employee, director, or officer of any supplier or contractor, compensated or uncompensated, in which CMHA has a direct or substantial interest, financial or otherwise. Further, no Board member, employee, contracted provider, volunteer, or intern accept any outside engagement or employment which conflicts with the ability of them to properly perform their duties to CMHA.

Any Board member, employee, contracted provider, volunteer, or intern who does perform outside work has a special responsibility to avoid any conflict with the agency's business interests. Outside work cannot be performed on the agency's time.

5. *Family relationships.* A Board member, employee, contracted provider, volunteer, or intern wishing to do business on behalf of CMHA with a member of that individual's immediate family or other relative, or with a company of which a relative is an officer, director, or principal, the individual must first disclose the relationship and obtain the prior written approval of CMHA's Chief Executive Officer (CEO).
6. *Confidential information.* Board members, employees, contracted providers, volunteers, and interns have an ethical duty and agree not to disclose confidential

and/or privileged information obtained in any way from their employment and to protect confidential relationships between CMHA, themselves, and CMHA's clients, suppliers, and contractors. Each professional agrees to be bound by all statutory provisions regarding the confidentiality and/or privileged communications between themselves and any client of CMHA.

- a) Information that has not been made public (i.e., insider information) shall not be released to private individuals, organizations, or government bodies unless demanded by legal process such as a subpoena or court order. If a subpoena or court order is received by a Board member, employee, contracted provider, volunteer, or intern in connection with business of CMHA, the individual must immediately notify the CEO (reference policy #01-02-14 for more information regarding subpoenas, search warrants, etc.). Board members, employees, contracted providers, volunteers, and interns shall not use confidential information obtained in the course of their employment for the purpose of advancing any private interest or otherwise for personal gain.
- b) Employees, contracted providers, volunteers, and interns must refer any requests for information (reference checks, credit reporting, etc.) about present or former employees of CMHA to the CEO or designee.

- 7. CMHA funds and financial reporting. Board members, employees, contracted providers, volunteers, and interns are forbidden to use, directly or indirectly, CMHA funds and assets for any unlawful purpose or to accomplish any unlawful goal. CMHA also prohibits the establishment or maintenance of undisclosed or unrecorded funds and assets.

All reporting of information should be accurate and timely. CMHA shall ensure integrity of all financial transactions and all transactions shall be executed in accordance with established policies and procedures and with federal and state law and recorded in conformity with generally accepted accounting principles or any other applicable criteria. Board members, employees, contracted providers, volunteers, and interns may not make any false or misleading entries in any books and records.

- B. CMHA requires every Board Member, employee, contracted provider, volunteer, and intern to comply with these standards.
- C. Allegations of violations of ethical standards will be investigated by the CEO and appropriate administrative personnel. Depending on the degree of the violation, it may be referred to the licensing body and/or civil authorities. Violations of ethical standards that are addressed in the personnel policy will be investigated by the CEO and possibly the agency's Recipient Rights Officer and will be dealt with as outlined in the agency personnel policies.
- D. This list is not comprehensive. CMHA encourages individuals who have questions about these standards and their application to employee conduct to discuss them with their supervisor or with the CEO.

- E. Any Board member, employee, contracted provider, volunteer, or intern who, in good faith, knows or has reason to know of any activity that violates or could violate these standards must promptly report the matter to the CEO; the reporting individual will not be subject to retaliation or disciplinary action for reporting such suspected violation and will be protected by the Michigan Whistleblower's Protection Act. Discipline for engaging in acts that violate applicable laws and regulations, making knowingly false reports, or discipline for any other performance-related reason unconnected to reporting potential violations is not retaliation. The CEO will investigate the suspected violation and make a determination regarding such, within 30 days of learning of the suspected violation. Additional reporting obligations can also be found in the Board-approved Compliance policies (section 05-04).
- F. Each Board member, employee, volunteer, and intern will be given a copy of this policy during new employee orientation. Contracted providers will receive same via the Provider Manual.

VI. REFERENCES AND LEGAL AUTHORITY: Act 258 of the Public Acts of Michigan of 1974 as amended; 1987 Department of Community Health Administrative Rules; CARF Behavioral Health Standards; Department of Health and Human Services Office of Inspector General "*Office of Inspector General Policy Statement Regarding Gifts of Nominal Value To Medicare and Medicaid Beneficiaries*" (December 7, 2016); NorthCare Network Code of Conduct

VII. EXHIBITS: None