

**NATIONAL ASSOCIATION OF LOCUM TENENS ORGANIZATIONS
CODE OF ETHICS**

I. PREAMBLE

The Code of Ethics ethical principles for the physician locum tenens industry. Members of this profession are responsible for maintaining and promoting ethical practice. This Code of Ethics is adopted by the National Association of Locum Tenens Organizations and its subsidiaries and affiliates and shall be binding on any member organizations that belong to the National Association in any status. The actions of any entity controlled by a member organization or a principal of a member organization or by an entity which controls a member organization shall be considered as the action of a member for the purpose of this Code. The establishment of and adherence to this Code of Ethics is necessary to the well being of this profession.

In general, it would be considered that a violation of the Standards of Practice and Procedures also construes a violation of the Code of Ethics.

This Code of Ethics will serve to clarify the manner in which each member organization may fulfill its responsibilities to the general public, to clients, to candidates, to other recruitment organizations and to other locum tenens organizations. If a dispute occurs between members, the first obligation is for the members to resolve the issue among themselves. It is understood that disputes between members will then go to the Ethics Committee or Arbitration Committee (if it is a dispute over a fee) for resolution.

II. DEFINITIONS

- A. Affiliate - Any company which has common ownership and control over at least 5%.
- B. Board of Directors - The Board of Directors of the National Association of Locum Tenens Organizations.
- C. Candidate - An individual who contacts an NALTO member in pursuit of a position, or individual contacted by an NALTO member organization or an individual member.
- D. Chairman, Ethics Committee - Appointed by the NALTO President, chairs all meetings of the Ethics Committee.
- E. Client - An organization that contracts with, or may potentially contract with, an NALTO member to recruit candidates and/or an organization that utilizes physician services and contacts or is contacted by an NALTO member.
- F. Code - This Code of Ethics.
- G. Complainant - A person or organization who files a complaint alleging violation of the Code.
- H. Complaint - A written charge by a complainant alleging violation of the Code.

- I. Curriculum Vitae - Information that includes names, addresses, background information and historical information on individuals in any form.
- J. Member - An organization, firm, or individual member that is a member of NAPR and NALTO.
- K. NALTO – The National Association of Locum Tenens Organizations.
- L. NALTO Subsidiary Businesses – Any violation involving a subsidiary business will be considered a violation of this Code of Ethics.
- M. NAPR - The National Association of Physician Recruiters.
- N. NAPR Subsidiary Businesses - Any violation involving a subsidiary business will be considered a violation of this Code of Ethics.
- O. Potential Client - Any individual or organization to whom you represent your services.
- P. President - Chief elected officer of NALTO.
- Q. Referral - A name requested by any organization seeking to recruit a candidate. A name will only be considered a referral if it has been requested by the client or a potential client. A referral must minimally include a name, address, and curriculum vitae, and have the consent of the candidate. A referral may be given over the telephone or by fax with the candidate's consent
- R. Respondent - An organization, firm, or individual member that has been alleged in a complaint to have violated the Code.
- S. Standards - NALTO Standards of Practice and Procedures.
- T. Subsidiary - Any business which is controlled by an NALTO member.
- U. Ruse - Someone who misrepresents themselves.

III. ETHICAL RULES

- A. Relations with Clients and Potential Clients
 - 1. A member shall reasonably fulfill all agreements made with a client or a potential client, and shall make no promises that the member has reason to believe it cannot fulfill.
 - 2. A member shall preserve all confidences of a client or a potential client on information concerning business practices of the client, unless expressly directed by the client to reveal such confidences.
 - 3. A member shall not knowingly make a false statement of fact to a client or candidate or another member organization, and shall state to the client as accurately as possible a candidate's employment history and qualifications.
 - 4. A member shall not present or refer, either in person, or by resume or by name, or by curriculum vitae, a candidate to a client, a potential client or another firm except at the request of the client or firm and only if the candidate's name and address are identified, and only with the candidate's knowledge. A member that makes a non or unsolicited referral with the intention of charging a fee will be considered in breach of the Code of Ethics.
 - 5. A member shall thoroughly examine a candidate's employment history and qualifications before referring such candidate to a

client, a potential client or another firm, and shall refer a candidate to them only if the candidate generally possesses the qualifications designated by the above mentioned and the candidate expresses an interest in the opportunity.

6. A member shall negotiate a fee with a client or a potential client. The fee obligation shall be fully disclosed preferably in a written agreement signed by the client.
 7. A member shall not initiate the performance of services for a client if:
 - a. the performance of services will result in violation of this Code or of any applicable law;
 - b. the member learns that the client has used the member's services in the past to commit actions violative of this Code or of any applicable law;
 - c. the condition will prevent the member from performing full and fair services to a client.
 8. A member shall comply with all federal, state and local laws governing hiring practices.
 9. A member shall adhere to established credentialing standards.
- B. Relations with Candidates
1. A member shall not knowingly make a false statement of fact to a candidate and shall state to a candidate as accurately as possible the responsibilities, compensation, hours and other pertinent information concerning prospective opportunities.
 2. A member shall not present a candidate's name or curriculum vitae to a client, a potential client or another firm except with the consent of the candidate.
 3. A member shall not refer a candidate to a client, potential client or another firm whose business practices are known to be violative of the Code or of any applicable law.
 4. A member cannot ruse candidates.
 5. **A member shall not provide enticement to encourage a candidate to breach a current obligation.**
- C. Cooperation in Investigations and Enforcement
1. A member under investigation by the Ethics Committee shall cooperate fully with the Ethics Committee, or Board of Directors (and will honor requests for documentation, testimony, or explanation of facts and circumstances) concerning violation of the Code in a timely manner.
 2. A member that reasonably believes that another member has committed a violation of the Code shall inform the NALTO Headquarters Office after they have contacted the other organization first to resolve the matter between themselves.
- D. Advertising and Other Communications
1. A member shall not in the course of its advertising, marketing, or other communications make a false or misleading statement about

the organization, firm or its services, or about another organization or its services. A statement will be considered false if:

- a. it contains a material misrepresentation that violates the spirit of the Code of Ethics or omits a fact which would make the statement as a whole misleading;
 - b. it is likely to create an unjustified expectation about the results the member can achieve, or states or implies that the member can achieve results that violate the Code or any applicable law;
 - c. it makes a comparison of the member with another member that cannot be factually substantiated.
2. No member or its representatives shall knowingly or unknowingly misrepresent or malign the position of the National Association of Locum Tenens Organizations or its members.
 3. A member that lists potential employment opportunities in all types of media or directly to a candidate shall ensure that such opportunities in fact exist at the time of making such listing.
- E. Relations With Other Organizations
- All members must compete in a fair and honorable manner and will:
1. never discredit the reputation of a competitor or another member of the NALTO;
 2. honor agreements made between other **firms** and refrain from defaming, maligning or falsely accusing any other **firm** or competing **firms**;
 3. refrain from intentionally misrepresenting another **firm** to a prospective candidate or client or another firm;
 4. act professionally and in a businesslike manner towards other **firms** at all times;
 5. not engage in a deceptive or misleading manner with respect to other **firms**;
 6. honor both oral and written agreements made with other **firms**;
 7. not engage in any activity which brings dishonor to the industry;
 8. report all activity to the Ethics Committee that is perceived to be violating this Code of Ethics if direct communication with the offending **other firm** cannot resolve the issue.

All members are responsible for continuous review of the Association's Code of Ethics.

IV. ETHICS COMMITTEE

- A. There shall exist an Ethics Committee that shall consider a complaint forwarded by the President and the Ethics Committee Chairperson.
- B. The Ethics Committee shall consist of the Chairperson and a minimum of three (3) members. The Chairperson is appointed by the President of NALTO for a three-year term. All of the members shall be individuals employed by active member organizations of NALTO and appointed by the Ethics Committee Chairperson with Board of Directors approval for a

three-year term. The Chairperson and committee members may succeed themselves.

The Ethics Committee shall be responsible for reviewing and acting upon reported violations of the NALTO Code of Ethics or may, on its own initiative, institute an investigation of apparent violations.

V. GRIEVANCE PROCEDURES

A. Complaints

1. A complaint may be filed with NALTO by anyone who has an ethics complaint against a NALTO member. The complaint must be in writing on a completed NALTO complaint form and shall be accompanied by supporting material to allow action on the complaint. All complaints must be received within three (3) months of alleged violation.
2. A complaint must be filed in writing and sent directly to the NALTO Headquarters Office. Failure to provide adequate documentation will result in dismissal of the complaint.
3. In the event that a case is brought before the Ethics Committee, which would involve either a director or a member of the Ethics Committee, that member will be excused from any involvement in the case.
4. The President and the Ethics Committee Chairperson shall consider any and all complaints concerning violation of the Code. If the Ethics Committee Chairperson and the President determine that there is no reasonable cause, they shall dismiss the complaint and shall notify the complainant and respondent of such dismissal. If the NALTO President and Ethics Committee Chairperson find a reasonable cause, they shall refer the complaint to the Ethics Committee.

B. Ethics Committee Determination

1. If the complaint is referred to the Ethics Committee, the Chairperson of the Ethics Committee shall notify the respondent by certified return receipt mail that a complaint against respondent has been forwarded to the Ethics Committee and the Ethics Committee will investigate the complaint. The certified letter will be sent to the respondent within two weeks of the receipt of the complaint by the Ethics Committee. The certified letter will be sent to the respondent with a copy to the complainant and will:
 - a. contain a copy of the complaint;
 - b. contain a copy of the NALTO Code of Ethics;
 - c. advise respondent of the right to respond to the complaint;
 - d. advise the respondent of the right to appear before the Ethics Committee to offer evidence or state the right of the respondent to offer evidence in written form and/or by telephone; and
 - e. outline what areas of the Code are deemed to be in violation, and send a copy of the NALTO complaint form.

C. Investigation Process

1. Respondent may file a response to the complaint within thirty (30) days after the first notice of complaint is sent to respondent. The

answer shall indicate whether respondent intends to offer evidence. All such evidence shall be submitted within sixty (60) days after the Notice to Respondent is placed in the mail. If respondent shall fail to answer the notification within the thirty (30) day period, the Ethics Committee may proceed with determination of the complaint and state its final disposition.

2. Respondent may offer all evidence in writing as well as by telephone without requesting a hearing.
3. The parties involved in the dispute have a right to request further cross-examination to reconcile differences in points of fact.
4. If respondent files a response, the Ethics Committee will acknowledge response within 30 days.
 - a. Respondent may request a hearing. Such hearing will take place before the Ethics Committee.
5. If a hearing is requested:
 - a. The Ethics Committee will schedule a hearing for respondent's testimony. Respondent and complainant will be notified sixty (60) days prior to the Ethics Committee meeting by certified mail of date, time and location.
 - b. At the time of the hearing, the respondent will have the opportunity to present witnesses and pertinent evidence. Evidence may be presented by telephone or by videotape.
 - c. All testimony at the hearing shall be recorded or otherwise preserved.
6. If, after the hearing, the committee determines that a violation exists, a sanction may be imposed by a majority of the committee. Voting may be either in person or by telephone conference call.
7. If there is not a hearing the Ethics Committee will assign an investigator who will investigate the complaint and make a recommendation to the Ethics Committee. The committee will vote on the recommendation.
8. The committee may impose any one or more of the following sanctions; education and quality assurance, reprimand, probation, suspension or expulsion.
9. The respondent shall be notified of the decision by the Ethics Committee in writing by certified mail within thirty (30) days of the date of the decision or hearing, or determination without a hearing.

D. Appeal to Board of Directors

1. Following a decision of the Ethics Committee or after a hearing, a respondent will have the right to appear in person at the next Board of Directors Meeting (date to be provided 30 days prior to the meeting). At that time, the respondent may appeal the Ethics Committee decision. No additional evidence will be permitted after the Ethics Committee ruling unless requested and approved by the Board of Directors. A respondent wishing to appeal will file a written statement concerning the basis for the appeal with NALTO. The Board of Directors shall,

within thirty (30) days of receipt of the written statement, review that statement and either grant or deny the request for appeal. If the appeal is granted, the Board of Directors shall fix a time limit for the appeal. The decision of the Ethics Committee will stand until the Board of Directors makes its determination.

2. All proceedings before the Board of Directors and the Ethics Committee shall be recorded or otherwise preserved.
 3. In the event a case is brought to appeal before the Board of Directors and involves a member of the Board, that member will be excused from adjudicating the case.
- E. The Board of Directors within thirty (30) days following the close of the meeting will report its final decision to complainant and respondent by certified mail. This will be done by the President of the Association.

VI. DEFINITIONS AND RESULTS OF SANCTIONS

- A. Recommendation of education and quality assurance standards.
- B. Private Reprimand - A private written communication admonishing respondent that the conduct was violative of the Code; and that future violations of the Code will result in more stringent discipline. It is intended that written admonition shall be appropriate for minor violations of the Code, or for first time violators of the Code.
- C. Probation - A period of up to 12 months during which time should additional conduct occur that constitutes a violation of the Code of Ethics, then the member shall be suspended. During a period of probation, the organization on probation may not state that it is a member of NALTO in good standing in any written or oral communications. It may not have use of the NALTO logo or access to any services offered by the NALTO and its subsidiary companies. There will be no refund of dues previously paid.
- D. Suspension - A period of up to 18 months during which time a sanctioned member may not state that it is a member of NALTO in good standing in any written or oral communications. It may not have use of the NALTO logo nor access to any services offered by the NALTO and its subsidiary companies. Furthermore, it will not be allowed to attend any of the NALTO meetings. During that period, the organization's membership will be reviewed by the Board of Directors at its next regularly scheduled meeting. There will be no refund of dues previously paid.
- E. Expulsion - Expelled organizations may reapply for membership after 3 years.
- F. Publication - If the Board of Directors deems it useful for education purposes, the Board of Directors may publish a summary of the final report after having deleted the names of the parties involved. Reasonable efforts will be made to protect the confidentiality of individuals.
- G. Confidentiality - All information gathered in the course of investigations by the President and Ethics Committee Chairperson, the Ethics Committee or the Board of Directors, shall be confidential and shall remain known only to those entities and their members. Release of such information, except in a

final report (or summary of the final report) published by the Board of Directors, shall be a violation of the Code.

- H. The Association will, at the request of a client or a potential client, give the membership status of a member, and state whether that member has ever been in violation of the Code of Ethics, and will disclose only those that have resulted in probation, suspension or expulsion. No other sanctions will be disclosed.

All members are to be continuously aware of ways in which a member can help fellow association members improve their awareness and compliance with the Association's Code of Ethics.