



care@care  
Insurance Company, Inc.

# CODE OF CONDUCT

BOARD OF DIRECTORS APPROVAL

FEBRUARY 21, 2017

Letter from the Chief Executive Officer

Dear Care N' Care Employees and Business Partners:

Care N' Care is committed to conducting its business operations with high ethical standards and in full compliance with all applicable Federal and State laws, rules and regulations. CNC expects its employees and contractors to perform their job duties and represent the organization in a manner that reflects and upholds this commitment. For this reason, we have developed a Code of Conduct and Standards of Compliance that you should read and incorporate into your daily activities.

The following pages contain information that will clarify policies on various issues, including legal, compliance, conflict of interest, personal conduct and relationships, and ethics. There are a number of resources discussed in the Code that are available to associates and others to ask questions or report concerns. You should feel free to use any of these resources.

Thank you for complying with the Code of Conduct and Standards of Compliance. With your commitment to the values for which Care N' Care is known, we will continue to maintain our longstanding reputation for excellence and quality in the provision of healthcare services.

Sincerely,

A handwritten signature in black ink, appearing to read 'Wendy Karsten', written in a cursive style.

Wendy Karsten  
Chief Executive Officer  
Care N' Care

## **PURPOSE**

This Code of Conduct has been adopted by Care N' Care's Board of Directors to provide standards by which employees and business partners of Care N' Care will conduct themselves in order to protect and promote organization-wide integrity and to enhance Care N' Care's ability to achieve its mission.

## **INTRODUCTION**

The Code of Conduct explains the policies of Care N' Care and provides additional guidance to persons functioning in managerial or administrative capacities and/or with responsibilities for Medicare Advantage plans. It is one of the ways we demonstrate—individually and as a company—that we are complying with the applicable federal and state standards, statutes, regulations, sub-regulatory guidance and contractual commitments. The Code of Conduct is distributed upon hire, and annually thereafter to all employees. The Code of Conduct is also distributed annually to directors, officers, Board Members, volunteers, medical staff, vendors and other representatives having administrative or managerial responsibilities and/or responsibilities for Medicare Advantage Plans. All employees are responsible for ensuring that their behavior and activities are consistent with the Code of Conduct.

As used in this Code of Conduct, the term Care N' Care refers to Care N' Care and each of its divisions, subsidiaries and operating or business units. The terms “officer,” “director,” “employee,” and “agent” include any person who fills such a role or provides services on behalf of Care N' Care or any of its divisions, subsidiaries, or operating or business units.

## **Principle 1 – Legal and Regulatory Compliance**

**Care N’ Care officers, directors, employees and contractors must adhere to local, state, and federal regulations.**

Healthcare is a highly regulated industry, as the government often seeks to protect the members and providers with whom we do business. In addition to laws specific to healthcare, Care N’ Care must also comply with regulations applicable to all corporations, regardless of the type of industry. The healthcare services provided by Care N’ Care are subject to Federal, State, and local laws and regulations, as well as the conditions of participation for Federal healthcare programs (e.g., Medicare and Medicaid). Such laws, regulations, and conditions of participation address various issues including access to care, consent to treatment, medical record-keeping, medical records and confidentiality, member rights, and Medicare and Medicaid program requirements.

All employees, Board members, contractors and agents are expected to comply with all applicable laws, regulations, and conditions of participation, and we have developed policies and procedures to address many of these legal and regulatory requirements. Certain requirements are specific to certain departments within Care N’ Care, and thus may be subject to further department specific policies, procedures, and training.

If you suspect a violation of any applicable law, regulation, condition of participation, or policy and procedure, you must report such violations immediately your Manager/Supervisor, Compliance Officer, Human Resources, or through the Compliance Hotline.

### **1.1 – Medicare Advantage and Prescription Drug Plans**

Care N’ Care holds a Medicare Advantage and Medicare Prescription Drug Plan contract with the Centers for Medicare & Medicaid Services (CMS) to provide Medicare benefits. As a business partner, we are required to follow all healthcare laws including those that govern Medicare Part C and D found at 42 CFR §§ 422 and 423 respectively, and any other guidance provided by CMS or the U.S. Department of Health and Human Services. These rules apply to associates, members of the Board and other parties that we contract with to provide administrative or other services also known as First Tier, Downstream and Related Entities (FDRs). FDRs are required to adopt and adhere to the Code of Conduct, or develop and adhere to their own Standards of Conduct and policies and procedures that meet CMS requirements.

## **1.2 – Federal False Claims Act**

Federal and State laws have been enacted to prevent the submission of false claims to reduce the likelihood of potential fraud, waste and abuse. Anyone involved with providing or obtaining reimbursement for medical services, supplies, or equipment from or on behalf of Care N' Care is responsible for submitting honest and accurate bills to Medicare, Medicaid, and other federal and state healthcare programs. Examples of fraud and abuse that can be considered to be false claims include:

- billing for services not rendered or goods not provided;
- falsifying records to obtain payment or a higher rate of reimbursement; and
- unlawfully giving healthcare providers inducements in exchange for referrals for service.

Violation of these laws may result in nonpayment of claims, Civil Monetary Penalties, exclusion from the Medicare Program, and criminal and civil liability.

Employees are obligated to report any ethical misconduct, including concerns about potential false claims, to the Compliance Officer or other appropriate internal authority. Failure to report may result in disciplinary action, up to and including termination. As set forth elsewhere in the Code of Conduct, any retaliation against any individual making a report of a potential violation of the False Claims Act (FCA) is prohibited.

## **1.3 – Antitrust**

Antitrust violations carry severe penalties. Violations of federal antitrust laws can result in criminal and civil liability. Successful plaintiffs may be entitled to treble damages, as well as costs and reasonable attorneys' fees.

Civil antitrust actions can be instituted by the Department of Justice, the Federal Trade Commission, or state attorneys general. In addition, private plaintiffs may bring suit. In health care, private plaintiffs might be competitors, physicians, patients, suppliers or third party payors. Antitrust litigation is time-consuming and quite expensive. Care N' Care's strict antitrust policies are designed to avoid any appearance of anti-competitive conduct.

Accordingly, all employees must comply with all applicable federal and state antitrust and similar laws that regulate competition. Examples of prohibited conduct include:

- agreements to fix prices, group boycotts, customer or market allocations among competitors, certain types of exclusive dealing arrangements, and tying arrangements;

- abuse of monopoly power, e.g., the ability or attempt (by a single entity) to control prices or to exclude competitors from a single market; and
- unfair trade practices including bribery, misappropriation of trade secrets, deception, intimidation and similar unfair practices.

Employees are expected to seek advice from the Compliance Officer or Legal department when confronted with business decisions involving a risk of violation of the antitrust laws.

#### **1.4 – Anti-Kickback Act**

The Anti-Kickback Act, or “anti-bribery law,” makes it a criminal violation to offer or accept “remuneration,” i.e., something of value, directly or indirectly, in exchange for the referral of any federal health care program (including Medicare) business, unless it falls within certain “safe harbors” specified under federal laws. The underlying purpose is to guard against improper influence over choice of the provider or supplier who will furnish items or services. It equally guards against the over utilization or inappropriate utilization of items or services and the resulting negative impact on program costs and quality of care. Therefore, associates must avoid any actions, such the giving or receiving of gifts or services that may even give the appearance they are offered for potential referrals.

Violations of this law can result in monetary fines and imprisonment up to 5 years. Because this law and the accompanying safe harbor provisions are complex, any questions or concerns related to a specific transaction should be referred to the Compliance Officer.

#### **1.5 – Stark Statue (Physician Self-Referral Law)**

The federal Stark physician self-referral law generally prohibits a physician from making referrals to an entity for certain designated health services if the physician (or an immediate family member) has a “financial relationship” with the entity. If you violate the Federal False Claims Act or other anti-fraud laws, you may be subject to disciplinary action, including termination of employment and legal action.

## **1.6 – Tax**

Care N' Care will abide by all relevant tax laws, will accurately report payments to appropriate taxing authorities, and will file all tax and information returns in a manner consistent with applicable laws.

## **1.7 – Health, Safety and Environmental**

Care N' Care will comply with all applicable health and safety laws and regulations. In addition, Care N' Care will manage and operate its business in a manner that respects the environment and conserves natural resources. Care N' Care employees will strive to utilize resources appropriately and efficiently, to recycle where possible and otherwise dispose of all waste in accordance with applicable laws and regulations, and to work cooperatively with the appropriate authorities to remedy any environmental contamination for which Care N' Care may be responsible.

## **1.8 – Discrimination**

Care N' Care believes that the fair and equitable treatment of employees, patients and other persons is critical to fulfilling its vision and goals. As such, Medicare Advantage Organizations (MAO), Participating IPAs and its Providers, may not establish rules for eligibility of any individual for enrollment under the terms of the MA-PD plan or condition coverage or the provision of health care services, based on race, ethnicity, national origin, religion, gender, age, mental or physical disability, sexual orientation, genetic information or source of payment, or based on any of the following health status-related factors (42 C.F.R. § 422.10) in relation to the individual or a dependent of the individual:

- health status;
- medical condition (including both physical and mental illnesses);
- claims experience;
- receipt of health care;
- medical history;
- genetic information;
- evidence of insurability (including conditions arising out of acts of domestic violence);
- disability; and,
- any other health status-related factor determined appropriate by the Secretary of the Department of Health and Human Services.

Additionally, MAOs, Participating IPAs and its Providers, must comply with Section 1557 of the Patient Protection and Affordable Care Act, Title VI of the Civil Rights Act of 1964,

The Age Discrimination Act of 1975, Section 508 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act, Titles VI and XVI of the Public Health Service Act and the Genetic Information Nondiscrimination Act of 2008.

### **1.9 – Document Retention**

Care N’ Care has a document retention policy that describes which documents need to be retained and for how long. While some documents may be discarded right away, others must be retained for extended periods. Care N’ Care must maintain for ten (10) years books, records, documents and other evidence of accounting procedures as outlined in the contract with CMS.

On an annual basis, all supervisors should review documents, records, files and databases in their control to determine what information must be retained, and what can be discarded. The Compliance Officer can answer any questions regarding Care N’ Care’s policy.

There is one important exception to the document retention policy. Any records involved in litigation or investigation are considered to be active records and should be stored on site and protected accordingly. In the event of a lawsuit or government investigation, the applicable records cannot be destroyed until the lawsuit or investigation has been finalized, and approved by Legal and/or Compliance.

### **1.10 – Lobbying/Political Activity**

Officers, directors, and employees shall refrain from engaging in activities that may jeopardize the tax exempt status of the organization, including a variety of lobbying and political activities.

1.10.1 No individual may make any agreement to contribute any money, property, or services of any officer or employee of Care N’ Care’s expense to any political candidate, party, organization, committee or individual in violation of any applicable law. Officers, directors, and employees may personally participate in and contribute to political organization or campaigns, but they must do so as individuals, not as representatives of Care N’ Care, and they must use their own funds.

1.10.2 Care N’ Care has many contacts and dealings with governmental bodies and officials. All such contacts and transactions shall be conducted in an honest and ethical manner. Any attempt to influence the decision-making process of governmental bodies or officials by an improper offer of any benefit is absolutely prohibited. Any requests or demands by any



governmental representative for any improper benefit should be immediately reported to the Care N' Care Compliance Designee.

## **Principle 2 - Business Ethics**

**Care N' Care employees will accurately and honestly represent Care N' Care and will not engage in any activity or scheme intended to defraud anyone of money, property or honest services.**

Care N' Care, its subsidiaries and its employees are committed to maintaining the highest ethical standards in the conduct of Care N' Care's business. Care N' Care is also committed to maintaining a work environment that encourages full development of Care N' Care employees as productive members of Care N' Care, as involved citizens in the community and as responsible members of their families.

### **2.1 - Honest Communication**

Care N' Care requires candor and honesty from individuals in the performance of their responsibilities and in communication with Care N' Care attorneys and auditors. Employees are prohibited from making false or misleading statements to any patient, person or entity doing business with Care N' Care about other patients, persons or entities doing business or competing with Care N' Care, or about the products or services of Care N' Care or its competitors.

### **2.2 - Misappropriation of Proprietary Information**

Misappropriation of confidential or proprietary information belonging to another person or entity will not be tolerated. All Care N' Care employees are responsible for ensuring that they do not copy documents or computer programs in violation of applicable copyright laws or licensing agreements. Employees are not allowed to use confidential business information obtained from competitors in any manner likely to provide an unfair competitive advantage to Care N' Care.

## **Principle 3 – Confidentiality of Protected Health Information**

**Care N' Care employees are required to understand that certain information is confidential and cannot be released without prior approval.**

### **3.1 - Confidentiality**

Care N' Care and its employees are in possession of and have access to a broad range of confidential, sensitive and proprietary information, the inappropriate release of which could be damaging to individuals, Care N' Care's business partners and Care N' Care itself. Every Care N' Care employee has an obligation to actively protect and safeguard confidential, sensitive and proprietary information in a manner designed to prevent the unauthorized disclosure of information.

To make it easier for healthcare organizations to share medical information, the Health Insurance Portability and Accountability Act (HIPAA) law requires that common transactions — such as submitting a claim on the patient's behalf — be in a standard format for all healthcare organizations and payers. But with the easier transmission of patient information, there is a greater risk for information leaks and abuses to happen. This is especially true as more and more information is shared electronically through email and the Internet. An important part of HIPAA focuses on patient privacy, and confidentiality. Under HIPAA, it is illegal to access or use protected health information unrelated to your job duties, or to improperly disclose information to inappropriate parties or to fail to adequately protect health information from inappropriate access, use or disclosure.

HIPAA's "Administrative Simplification" section provides two rules governing the electronic exchange and privacy and security of protected health information (PHI):

- The Privacy Rule informs patients of their privacy rights, gives patients access to their PHI and control over how it's used, and requires security processes for medical records and other confidential information used or shared in any form.
- The Security Rule requires administrative, physical, and technical safeguards to protect patient privacy and covers information that's stored or transmitted electronically.

With the enactment of the Health Information Technology for Economic and Clinical Health Act (HITECH Act) as part of the American Recovery and Reinvestment Act of 2009 and the final modifications effective March 26, 2013, also known as the Omnibus Rule, requirements under HIPAA's Privacy and Security provisions associated with the electronic transmission of PHI were expanded. Significant changes related to business associate responsibilities, breach notification requirements, uses and disclosures for marketing and fundraising and patient rights were included. In addition, government enforcement authority was enhanced and penalties for noncompliance were increased.

Fines up to \$25,000 may be imposed for multiple violations of the same standard in a calendar year, and fines up to \$250,000 and/or imprisonment up to 10 years may be imposed for knowing misuse of an individual's protected health information.

It is Care N' Care's policy to treat all patient information with the utmost discretion and confidentiality, and to prohibit improper access, use or disclosure in accordance with the confidentiality requirements of state and federal laws and regulations. The access, use and disclosure of a patient's protected information should be addressed with strict adherence to Care N' Care policy and compliance with the law. It is the duty and obligation of all employees to report any known or suspected violation of privacy and security of a patient's protected health information.

### **3.2 - Patient/Member Information**

All Care N' Care employees have an obligation to conduct themselves in accordance with the principle of maintaining the confidentiality of patient and member information in accordance with all applicable laws and regulations. Specifically, Care N' Care employees must:

- Safeguard the privacy of any information that identifies a particular enrollee. Information from, or copies of, records may be released only to authorized individuals.
- Ensure that unauthorized individuals cannot gain access to or alter patient records.
- Ensure that original medical records are released only in accordance with federal or state laws, court orders or subpoenas.
- Maintain records and information in an accurate and timely manner.
- Ensure timely access by enrollees to the records and information that pertain to them.
- Abide by all federal and state laws regarding confidentiality and disclosure for mental health records, medical records, other health information and enrollee information.

### **3.3 - Proprietary Information**

Information, ideas and intellectual property assets of Care N' Care are important to organizational success. Information pertaining to Care N' Care's competitive position or business strategies, payment and reimbursement information, and information relating to negotiations with employees or third parties should be protected and shared only

with employees having a need to know such information in order to perform their job responsibilities. Employees should exercise care to ensure that intellectual property rights, including patents, trademarks, copyrights and software are carefully maintained and managed to preserve and protect their value.

### **3.4 - Personnel Actions/Decisions**

Salary, benefit and other personal information relating to employees must be treated as confidential. Personnel files, payroll information, disciplinary matters and similar information must be maintained in a manner designed to ensure confidentiality in accordance with applicable laws. Employees will exercise due care to prevent the release or sharing of information beyond those persons who may need such information to fulfill their job function.

#### **Principle 4 - Conflicts of Interest**

**Directors, officers, committee members and key employees owe a duty of undivided and unqualified loyalty to Care N' Care. These individuals may not use their positions to profit personally or to assist others in profiting in any way at the expense of Care N' Care.**

Care N' Care's senior level individuals are expected to conduct themselves in a manner that avoids actual impropriety and/or the appearance of impropriety that might arise from the influence of their conduct on business decisions of Care N' Care, or from disclosure or private use of business affairs or plans of Care N' Care. Employees shall conduct their personal and professional relationships, including interactions with third party vendors, in such a way as to assure themselves, the Company and the community that decisions made are in the best interest of the Company without the slightest implication of wrong doing. The exercise of judgment is required to determine if a potential conflict of interest situation exists.

A conflict of interest exists when an employee is in a position to profit directly or indirectly through the application of their authority or knowledge. Also, a conflict of interest exists if a friend or relative benefits or the Company is adversely affected in any way by the action.

#### **4.1 - Reporting Outside Financial Interests**

Upon request, Care N' Care directors, officers and employees shall report outside financial interests of their own or of an immediate family member which might constitute a conflict of interest. While not inclusive, the following will serve as a guide to the types of activities that might constitute a conflict of interest.

- 4.1.1 Ownership or employment of any outside concern which does business with Care N' Care. This does not apply to stock or other investments held in a publicly held corporation provided the value of the stock or other investments does not exceed 1% of the corporations stock. Care N' Care may impose an annual reporting requirement. Following a review of the relevant facts, Care N' Care may permit ownership interests which exceed these limits if management, in consultation with legal assistance if necessary, concludes such ownership interests will not adversely impact Care N' Care's business interests or the judgment of the employee.
- 4.1.2 Conduct of any business not on behalf of Care N' Care with any vendor, supplier, contractor, or agency that does business with Care N' Care or any of their officers or employees.
- 4.1.3 Representation of Care N' Care in any transaction in which the director, officer, or employee has a substantial personal interest.
- 4.1.4 Disclosure or use of confidential, special or inside information of or about Care N' Care for personal profit or advantage.
- 4.1.5 Competition with Care N' Care, directly or indirectly, in the purchase, sale or ownership of property or property rights or interests, or business investment opportunities.

#### **4.2 - Services for Competitors/Vendors**

No director, officer, or employee:

- 4.2.1 Shall perform work or render services for any competitor of Care N' Care or for any organization which Care N' Care does business or which seeks to do business with Care N' Care outside of the normal course of his/her responsibilities for Care N' Care without the prior written approval of the Vice President for Human Resources; or
- 4.2.2 Be a director, officer, or consultant of such an organization; or
- 4.2.3 Permit his/her name to be used in any fashion that would tend to indicate a business connection with such organization.

### **4.3 - Participation on Boards of Directors/Trustees**

- 4.3.1 Upon request, an employee shall disclose service as a member of the Board of Directors/Trustees of any organization.
- 4.3.2 A director, officer, or employee must obtain approval from the executive management prior to serving as a member of the Board of Directors/Trustees of any organization whose interests may conflict with those of Care N' Care.
- 4.3.4 Care N' Care has the right to prohibit membership on any Board of Directors/Trustees where such membership might conflict with the best interest of Care N' Care.
- 4.3.5 Executive management will refer to the legal assistance all questions regarding whether Board participation might present a conflict of interest.

### **4.4 - Honoraria**

With prior approval, employees are encouraged to participate as faculty and speakers at educational programs and functions related to their work. For activities related to work for Care N' Care conducted during paid time, the employees shall turn over all honoraria (payments) to Care N' Care. For activities during leave from work, the employee may keep honoraria. Also, the employee may keep honoraria related to hobbies or outside work not in conflict with work for Care N' Care.

### **Principle 5 - Business Relationships**

**Business dealings with vendors, contractors and other third parties must be transacted free from offers or solicitation of gifts and favors or other improper inducements that would affect Care N' Care's business in any way.**

The Standards set forth below are intended to guide key employees in determining the propriety of certain business related activities including relationships with vendors, providers, contractors, third party payors and government entities. Care N' Care intends this policy to be construed broadly to avoid even the appearance of improper activity. If there is any doubt or concern about whether specific conduct or activities are ethical or otherwise appropriate, employees must contact the Care N' Care Compliance Committee.

## 5.1 - Gifts and Entertainment

It is Care N' Care's desire to at all times preserve and protect its reputation and to avoid the appearance of impropriety. Consequently,

- **Gifts from Patients or Members.** Employees are prohibited from soliciting tips, personal gratuities or gifts from members and from accepting monetary tips or gratuities.
- **Gifts Influencing Decision-making.** Employees shall not accept gifts, favors, services, entertainment or other things of value to the extent that decision-making or actions affecting Care N' Care might be influenced. Similarly, the offer or giving of money, services or other things of value with the expectation of influencing the judgment or decision making process of any purchaser, supplier, customer, government official or other person by Care N' Care is absolutely prohibited. Any such conduct must be reported immediately to the Care N' Care Compliance Committee.
- **Gifts from Existing Vendors.** Employees may retain gifts of nominal value from vendors. (Care N' Care has made no attempt to define "nominal" as a specific dollar value. Rather, Care N' Care expects its employees to exercise good judgment and discretion in accepting gifts). If an employee has any concern whether a gift should be accepted, the employee should consult with his/her supervisor. Employees may not accept excessive gifts, meals, expensive entertainment or other offers of goods or services that have more than a nominal value, and they may not solicit gifts from vendors, suppliers, contractors or other persons.

There may be instances when giving gifts and entertainment is acceptable, but must still comply with the law and the Company policies.

- Never give monetary or nonmonetary gifts, either directly or non-directly, that might appear to influence, obtain, or retain business. Monetary may include cash or cash equivalents (e.g. gift cards).
- There are specific rules about gift giving in government related business. As a general rule:
  - No cash or cash equivalent; and
  - Medicare Advantage or Part D is limited to \$15 per item and \$50 per calendar year.

## **5.2 - Contracting**

Employees may not utilize “insider” information for any business activity conducted by or on behalf of Care N’ Care. All business relations with contractors must be conducted at arm’s length both in fact and in appearance and in compliance with Care N’ Care policies and procedures. Employees must disclose personal relationships and business activities with contractor personnel, which may be construed by an impartial observer as influencing the employees’ performance or duties. Employees have a responsibility to obtain clarification from management employees on questionable issues that may arise and to comply with Care N’ Care’s conflict of interest policy.

## **5.3 - Business Inducements**

Care N’ Care prohibits employees from seeking to gain any advantage through the improper use of payments, business courtesies or other inducements. Offering, giving, soliciting or receiving any form of bribe or other improper payment –money, services or other things of value with the expectation of influencing the judgment or decision-making of any purchaser, supplier, customer, government official or other person—by a director, officer, or employee of Care N’ Care is absolutely prohibited, any such conduct must be reported immediately to the Compliance Officer.

Appropriate commissions, rebates, discounts and allowances are customary and acceptable business inducements provided that they are approved by Care N’ Care management and that they do not constitute illegal or unethical payments. Any such payments must be reasonable in value, competitively justified, properly documented, and made to the business entity to which the original agreement or invoice was made or issued. Such payments should not be made to individual employees or agents of business entities.

In addition, employees may provide gifts, entertainment and meals of nominal value to Care N’ Care customers, current and prospective business partners and other persons when such activities have a legitimate business purpose, and are reasonable and consistent with all applicable laws.

## **Principle 6 - Protection of Assets**

**Care N’ Care employees cannot use Care N’ Care funds or property for their personal use.**



The Standards set forth below are intended to guide key employees by articulating Care N' Care's expectations as they relate to activities or behaviors that may impact Care N' Care's financial health.

### **6.1 - Internal Control**

Care N' Care has established control standards and procedures to ensure that assets are protected and properly used and that financial records and reports are accurate and reliable. All employees of Care N' Care share the responsibility for maintaining and complying with required internal controls.

### **6.2 - Financial Reporting**

All financial reports, accounting records, research reports, expense accounts, time sheets and other documents must accurately and clearly represent the relevant facts or the true nature of a transaction. Improper or fraudulent accounting, documentation or financial reporting is contrary to the policy of Care N' Care and may be in violation of applicable laws.

### **6.3 - Travel and Entertainment**

Travel and entertainment expenses should be consistent with the employee's duties and Care N' Care's needs and resources. It is Care N' Care's policy that an employee should not suffer a financial loss or a financial gain as a result of business travel and entertainment. Employees are expected to exercise reasonable judgment in the use of Care N' Care's assets. Employees must comply with Care N' Care policies relating to all purchasing procedures, payment limits and travel and entertainment expense.

### **6.4 - Personal Use of Corporate Assets**

All employees are expected to refrain from converting assets of Care N' Care to personal use. All property and business of Care N' Care must be conducted in the manner designed to further Care N' Care's interest rather than the personal interest of an individual employee. Employees are prohibited from the unauthorized use or taking of Care N' Care's equipment, supplies, materials or services. Prior to engaging in any activity on company time which will result in remuneration to the employee or the use of Care N' Care's equipment, supplies, materials or services for personal or non-work related purposes, employees shall obtain the approval of the appropriate business unit or other management of Care N' Care.

## **Principle 7 - Compliance Standards and Operational Policies and Procedures**

In addition to the standards and requirements described in this Code, compliance standards and operational policies and procedures specific to each CNC department will continue to be incorporated into department-specific manuals, and kept current with applicable Federal and State laws and regulations. The department-specific policies and procedures are a resource for employees of each department, designed to enhance their ability to perform their duties in accordance with CNC's policies and applicable Federal and State laws and other requirements. Each department has defined and assigned responsibility for (i) the timely updating of policies and procedures, (ii) the necessary training and education of affected personnel, and (iii) the completion of monitoring and audits as designated by the Compliance Officer to ensure ongoing compliance.

### **7.1 Reporting and Investigations**

CNC considers adherence to this Code of Conduct to be of paramount importance because establishing and maintaining a reputation for honest, ethical business practices is key to CNC's overall mission. Furthermore, engaging in illegal activity or improper conduct may subject CNC to severe civil and criminal penalties, including large fines and exclusion from certain types of business. It is therefore crucial that any suspected illegal activity or improper conduct including violation of this Code or any other CNC policy be promptly reported and thoroughly investigated.

### **7.2 Duty to Report**

CNC employees and contractors who become aware of any suspected illegal activity or improper conduct are required to immediately report the illegal activity or improper conduct through appropriate channels.

1. CNC employees should report suspected illegal activity or improper conduct to their supervisor, or directly to the Compliance Department.
2. CNC contractors should report suspected illegal activity or improper conduct directly to the Compliance Department.
3. Suspected illegal activity or improper conduct may be reported to the Compliance department by sending an email to [CNCCompliance@cnchealthplan.com](mailto:CNCCompliance@cnchealthplan.com) or by calling the Compliance Hotline at 1-844-760-5838.

4. The Compliance Hotline allows for anonymous reporting via the ComplianceLine website at [www.mycompliancereport.com](http://www.mycompliancereport.com).
5. Failure to report suspected illegal activity or improper conduct is a violation of this Code, and may be a violation of Federal and/or State law.

### **7.3 Anonymous Reporting**

CNC employees and contractors may report suspected illegal activity or improper conduct anonymously.

1. To the extent permitted by Federal and State law, CNC will take reasonable precautions to maintain the confidentiality of those individuals who report illegal activity or improper conduct, and those individuals involved in the alleged violation, whether it turns out that improper acts occurred.
2. Failure to abide by this confidentiality obligation is a violation of this Code.

### **7.4 Investigations and Duty to Cooperate**

It is CNC's policy to promptly and thoroughly investigate all reports of illegal activity or improper conduct. Detection of potential or actual issues related to compliance, ethical conduct, or other measurable areas of performance shall result in the initiation of appropriate corrective action. Any action, or lack of action, that prevents, hinders, or delays discovery and full investigation of suspected illegal activity or improper conduct is a violation of this Code, and may be a violation of Federal and/or State law.

1. Internal investigations will include interviews and reviews of relevant documents. CNC employees and contractors are required to cooperate fully with and disclose all pertinent information with regard to any CNC investigation of suspected illegal activity or improper conduct.
2. CNC, its employees and contractors shall cooperate with appropriate government investigations into possible civil and criminal violations of Federal and/or State law. It is important, however, that in this process CNC is able to protect the legal right of the Company and its personnel. Any governmental inquiries or request for information, documents, or interviews must be promptly referred to the CNC Compliance Department.

## **7.5 Protection from Retaliation**

CNC ensures that employees and contractors may report or assist investigation of suspected illegal acts or improper conduct without threat of negative consequences.

1. No retaliation, reprisals or disciplinary action will be taken or permitted against CNC employees or contractors for good faith participation in the Compliance Program, including but not limited to reporting potential issues to appropriate authorities, cooperating in the investigation of suspected illegal activities or improper conduct, and conducting self-evaluations, audits and remedial actions.
2. Failure to abide by this prohibition against retaliation or reprisals is a violation of this Code, and may be a violation of Federal and/or State law.

## **7.6 Disciplinary Action**

CNC employees and contractors who engage in illegal activity or improper conduct, including violation of this Code or any other CNC policy, are subject to disciplinary action including oral or written warning or reprimands, suspension, termination, financial penalties and potential reporting of this conduct to law enforcement. If employees or contractors self-report their own illegal actions or improper conduct, CNC will take such self-reporting into account in determining appropriate disciplinary action.

## QUESTIONS AND ANSWERS ABOUT CARE N' CARE'S CODE OF CONDUCT

### COMPLIANCE/INCIDENT REPORTS

1. If I have a question about someone's conduct or saw something that I thought was wrong, who should I contact?

You should contact one of the following:

- Your supervisor
  - The Human Resources Department
  - The Compliance Hotline
  - The Compliance Officer
2. If I am not sure whether someone's conduct violates the law or Care N' Care's policies, am I required to make a report? Can I be reprimanded for reporting the situation?

Any employee who observes conduct that may involve abuse of Care N' Care policies or state or federal regulations must report the conduct. Failure to report will result in disciplinary action.

As long as you have a genuine concern, Care N' Care's policy prohibits retaliation or reprimand for making a report. However, if a Care N' Care employee knowingly or intentionally reports something that the employee knows is false or misleading, the employee will be disciplined.

3. What should I do if I feel that I am being retaliated against for reporting an incident?

Retaliation against any person for identifying legitimate concerns is prohibited. If you feel that you are the subject of retaliation, please contact the Hotline, Human Resources, or the Compliance Officer.

4. Can I call the Hotline to discuss salary and benefits issues?

No. The Hotline has been established to handle reports of suspected violations of Care N' Care's Code of Conduct, Standards of Compliance, federal and state laws and regulations. Care N' Care's Hotline handles questions concerning operation of the Care N' Care Compliance Program. If you have salary or benefit issues, please contact your supervisor or the Human Resources Department.

## **Administration and Application of this Code of Conduct**

Care N' Care shall provide the Code of Conduct to all employees upon hire, and annually thereafter. The Code of Conduct is also distributed to all directors, officers, Board Members at the time of appointment and annually thereafter.

Within thirty (30) days of employment or execution of a new contract, as applicable, Care N' Care must circulate to any new director, officer, employee, related entity, contractor or subcontractor a copy of the Care N' Care Code of Conduct.

Care N' Care expects each person to whom this Code of Conduct applies to abide by the principles set forth above, and to conduct the business and affairs of Care N' Care in a manner consistent with the general statement of principles of this Code of Conduct.

Failure to abide by this Code of Conduct may lead to disciplinary action. For alleged violations of the Code of Conduct, Care N' Care will weigh relevant facts and circumstances, including, but not limited to, the extent to which the behavior was contrary to the express language or general intent of the Code of Conduct, the severity of the violation, the employee's history with Care N' Care and other factors which Care N' Care deems relevant. Discipline for failure to abide by the Code of Conduct may, in Care N' Care's discretion, range from oral correction to termination. In the event that an employee is covered by the terms of a collective bargaining agreement, discipline shall be in accordance with the provisions of the collective bargaining agreement. With respect to contractors and subcontractors, failure to comply with Care N' Care's Code of Conduct could result in contract termination for cause.

Nothing in this Code of Conduct is intended to or is to be construed as providing any additional employment or contract rights to employees or other persons.

Care N' Care's Board will ratify or amend, as necessary, the Care N' Care Code of Conduct at least annually. While Care N' Care generally will attempt to communicate changes concurrent with or prior to the implementation of such changes, Care N' Care reserves the right to modify, amend or alter the Code of Conduct without prior notice to any person or employee.

**ACKNOWLEDGEMENT OF CODE OF CONDUCT &  
COMPLIANCE PROGRAM POLICIES**

By signing below, I acknowledge that I have read, understand and will abide by Care N' Care's Code of Conduct and Compliance Program Policies. I understand that adherence to the Code of Conduct is a requirement and failure to adhere to it can result in disciplinary action up to and including termination of employment and/or affiliation. I understand that it is my obligation to comply with the law, this Code and all applicable Company policies and/or contractual obligations.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

care@care

Insurance Company, Inc.