Health Partners Plans

Health Partners Plans

Code of Business Conduct and Compliance Program

Version 3.0

Health Partners Plans' Corporate Compliance Program

Health Partners Plans' (HPP) Corporate Compliance Program (referred to herein as "The Compliance Program") embodies dedication to the highest standards of ethical behavior, expressed through corporate culture and through adherence to all state and federal laws, government regulations, and contractual requirements. It is vital that all HPP employees, volunteers/student interns, temporary employees (referred to herein as "employees"), subcontracted agents, and consultants that perform healthcare and/or administrative services (referred to herein as "vendors"), comprehend the process of compliance and gain the knowledge and tools to uphold a "Compliance First" culture. Compliance is critical to the success of the organization.

The Compliance Program aims to advance quality in all respects by adhering to three hallmark commitments:

1. To encourage commitment and dedication to the Compliance Program by utilizing the best industry practices and methodologies to improve the health status of the community, provide high-quality health services, and to uphold the highest ethical and legal standards.

2. To provide a compliance culture that encourages employees to seek guidance and support regarding business practices. It is critical that the compliance environment is open and employees are comfortable to report potential violations without fear of retaliation or retribution for their actions.

3. To conduct operations utilizing the highest standards of ethical behavior and to act with dignity and respect. To identify and mitigate potential compliance risks by employing reengineering processes; thereby, increasing our efficiency, and to stay compliant.

For details on how to report potential non-compliance to the Compliance team, please refer to the Code of Business Conduct (COBC).

Corporate Compliance consists of the Government Relations and Compliance Department (GRC), and the Medicare Compliance Department. The Compliance Departments ensure that HPP comprehends and complies with all state and federal laws and contractual requirements. The Government Relations area assists lawmakers in understanding how the policies impact the ability of HPP to provide first-rate health care services specific to Medicaid/CHIP.

To achieve these goals, HPP has adopted and implemented an effective compliance program, which includes measures to prevent, detect and correct program noncompliance as well as Fraud, Waste, and Abuse. Our program includes the following core requirements:

1. Written Policies, Procedures and Standards of Conduct;

2. Compliance Officer, Compliance Committee and High-Level Oversight;
3. Effective Training and Education;
4. Effective Lines of Communication;
5. Well-Publicized Disciplinary Standards;
6. Effective System for Routine Monitoring and Identification of Compliance Risks; and
7. Procedures and System for Prompt Response to Compliance Issues.

Compliance Program Operation

Written Policies, Procedures, and Standards of Conduct:

HPP maintains detailed, specific and descriptive written policies, procedures and standards of conduct that:

1. Articulate our commitment to comply with all applicable Federal and State standards;
2. Describe compliance expectations as embodied in the COBC;
3. Implement the operation of our Program;
4. Provides guidance to employees and others on dealing with suspected, detected or reported compliance issues;
5. Identifies how to communicate compliance issues to appropriate compliance personnel;
6. Describes how suspected, detected or reported compliance issues are investigated and resolved by HPP; and
7. Includes a policy of non-intimidation and non-retaliation for good faith participation in the Program, including, but not limited to, reporting potential issues, investigating issues, conducting self-evaluations, audits and remedial actions, and reporting to appropriate officials

HPP's COBC states the overarching principles and values by which HPP operates, describes our expectations of conduct for all employees, and communicates to employees and our vendors that compliance is everyone's responsibility. The COBC is maintained by HPP Human Resources with contributions by the Compliance, Legal Affairs and Privacy & Security departments, and is updated periodically to reflect changes in applicable laws, regulations, and other program requirements. In addition to the COBC, HPP has developed an extensive set of policies and procedures to assist with the implementation of the Compliance Plan, which includes ensuring compliance, and articulating HPP's commitment to comply with all applicable laws. As is the case with our COBC, policies and procedures are updated periodically to reflect these changes in law, or guidance.

HPP's written policies, procedures and Standards of Conduct are distributed to all employees within 90 days of hire, and are always available on HPP's intranet site for employees to access. For employees, initial distribution is tracked via attestation, and through HPP's learning management system. For Subcontractors, First-Tier,

Downstream, Related Entities (FDR's) distribution occurs at the time of contracting, and annually thereafter, and is tracked via attestation.

Compliance Officer, Compliance Committee and High-Level Oversight:

In accordance with HPP's dedication to compliant and ethical conduct, HPP ensures that its Compliance Officers are integrated into the organization at all levels and given the credibility, authority and resources necessary to operate a robust and effective Compliance Program. To this end, HPP maintains a designated:

- Medicare Compliance Officer (MCO)
- Medicaid/CHIP Compliance Officer (MCCO); and also active
- Compliance Committees

HPP's Compliance Officers are vested with the day-to-day operations and implementation of the Compliance Program, as well as chair the line of business specific Compliance Committees (individually established for the Medicare line of business and the Medicaid/CHIP lines of business). HPP's Compliance Officers provide reports directly to HPP's Chief Executive Officer (CEO) in addition to other senior management and HPP's Audit Committee and the Board of Directors (BOD). In addition, HPP's Compliance Officers provide routine reports on the activities and status of the Compliance Program, including issues identified, investigated, and resolved by the Compliance Program and has ready access to HPP's CEO and senior management. Additionally, HPP's Compliance Officers regularly attend meetings of HPP's Audit Committee and BOD for the purpose of providing in-person reports.

HPP's Compliance Committees are tasked with oversight of the Compliance Program. The line of business specific Compliance Committees are comprised of a cross-section of individuals within various HPP business units, and each has decision-making authority in their respective areas of HPP business.

Consistent with regulatory guidance, HPP's Audit Committee exercises reasonable oversight with respect to the implementation and effectiveness of our Compliance Program. The Audit Committee and the BOD receive general Compliance training and education on an ongoing basis for the purpose of understanding HPP's compliance program structure and remaining informed about Compliance Program activities, notably with regard to the operation of the Program. Additionally, HPP's Audit Committee and BOD are responsible for approving Compliance work-plans and HPP's COBC.

Effective Training and Education:

HPP provides effective training and education for all employees, staff and vendors. Formal and general Compliance and Fraud, Waste and Abuse (FWA) training and education occur during orientation (employee orientation typically occurs on the first day of hire; within 90 days of contract for Subcontractors and FDR's) for new employees and on an annual basis thereafter. HPP employees are trained in-person and via online training modules, and Subcontractors and FDR's are trained via provision of materials and an associated attestation process. Compliance and FWA training materials are updated whenever material changes in regulations, policy or guidance, require it, and are also reviewed on an annual basis.

HPP's Compliance training communicates information regarding HPP's Compliance Program, including a review of policies and procedures, the COBC, and HPP's commitment to compliance with all regulatory requirements. In addition, information regarding reporting compliance issues or concerns, or asking compliance questions is included within that training. HPP's training clearly emphasizes confidentiality, anonymity, and non-retaliation for compliance related questions or reports of suspected or detected noncompliance or potential FWA, and communicates the requirement of all employees and vendors to report actual or suspected noncompliance or potential FWA.

HPP's FWA training communicates information regarding laws and regulations related to FWA including, for example, False Claims Act, Anti-Kickback statute, and HIPAA/HITECH. Processes for HPP's and our vendors' employees to report suspected FWA to HPP are inherent within HPP's training, including protections for anyone who reports suspected FWA in good faith.

In addition to HPP's general Compliance and FWA training, HPP employees working in the functional areas must understand and keep up with a wide range of regulations, data reporting requirements, policy guidance, and CMS manuals that pertain to their specialized work. To facilitate the process of keeping abreast of constantly evolving regulatory requirements, each department conducts ongoing training sessions on an as-needed basis, covering topics of specific concern for that department. For example, when a revised Medicare Managed Care Manual (MMCM) chapter is released by CMS, the department(s) affected by the revisions may develop and conduct a special training session to educate the employees in that department on the revised policies. The department manager is responsible for determining specialized training needs and scheduling training sessions in a timely manner. Each department is advised to collect documentation of attendance, and training content, and forwards the documentation to HPP's Learning and Development unit for maintenance in employee files.

In addition to training applicable department staff on newly issued or updated policy guidance, regulations, CMS manual chapter updates, MCO operations memos from DHS, etc., each department revises and updates its policies and procedures, desktop procedures, manuals, etc., to reflect the new or revised policies.

Effective Lines of Communication:

HPP maintains various lines of communication intended to allow for accessibility to and from employees, staff, vendors, and HPP's Compliance Program. When warranted, HPP ensures the utmost confidentiality, and also allows compliance issues to be reported anonymously, if so desired by the reporter. This is embodied in HPP's COBC, in addition to numerous policies and procedures throughout the organization. The methods available for reporting compliance or FWA concerns and the non-retaliation policy are publicized throughout HPP's facilities, are provided to vendors with encouragement to do the same, and are included in multiple compliance training initiatives. Nearly all reporting mechanisms are available 24/7 and none are encouraged any more or less than another.

Communication of information from the Compliance Departments to others (employees, staff, vendors, etc.) includes, notably, changes in policy and/or law. For example, the most common communication of information from the Medicare Compliance Department consistent with this element is that of CMS issued sub-regulatory requirements, typically in the form of HPMS memorandums. In these instances, and in addition to other methods, information is communicated via e-mail distributions, individual and group meetings. In all instances, the Compliance Departments strive to disseminate information as soon as possible, if not always within a reasonable time, and to all appropriate parties. Recipients of key guidance communications are required to attest to their receipt and acknowledge understanding and implementation thereof.

HPP maintains a system to receive record, respond to and track compliance questions or reports of suspected or detected noncompliance or potential FWA from employees, staff, and vendors (including their employees). In nearly all instances (excluding walk-ins, for example) reports are kept confidential to the greatest extent possible and, in some instances, allow for total anonymity should the reporter so desire. Anonymity is made available through an externally sourced hotline that provides immediate access of reports to HPP's Compliance Officers and other members of senior management. Retaliation or retribution against employees or vendors who, in good faith, report suspected noncompliance or FWA is widely publicized by HPP, and clearly conveys a zero-tolerance policy toward.

Well-Publicized Disciplinary Standards:

HPP also maintains well-publicized disciplinary standards through the implementation of procedures which encourage good faith participation in the compliance program by all affected individuals. Disciplinary standards include policies that articulate HPP's expectations for reporting compliance issues and assisting in their resolution, identifying noncompliance or unethical behavior; and providing for timely, consistent, and effective enforcement of the standards when noncompliance or unethical behavior is determined. HPP's disciplinary policies and procedures reflect clear and specific disciplinary standards, and describe our expectations for the reporting of compliance issues including noncompliant, unethical or illegal behavior.

Effective System for Routine Monitoring, Auditing and Identification of Compliance Risks:

HPP maintains effective systems for routine monitoring, auditing, and identification of compliance risks. Each component of internal monitoring, auditing and risk assessment is intended to evaluate HPP's compliance with regulatory requirements and the overall effectiveness of our Compliance Program. HPP's monitoring activities are regular reviews performed as part of normal operations to confirm ongoing compliance. HPP audits consist of more formal reviews of compliance with a particular set of standards (e.g., policies and procedures, laws and regulations) used as base measures. For both monitoring and auditing efforts, HPP strives to ensure that corrective actions are undertaken and effective. On an annual basis, HPP develops line of business specific monitoring and auditing work plans that address the risks associated with the specific line of business (Medicare, Medicaid and CHIP). HPP's Compliance Officers, CCC, senior leadership, Audit Committee and the BOD are key participants in this process, and ultimately, HPP's work plans require Audit Committee and BOD approval.

HPP maintains policies and procedures that address each of these functions of monitoring, auditing, and risk assessment. Our risk assessment process is an ongoing process that takes into account all business operational areas, each of which are assessed for the types and levels of risks the area presents to the Medicare, Medicaid or CHIP program and to HPP. Risks identified by the assessment process are ranked by likelihood and severity to determine which risk items will have the greatest impact on HPP from a Compliance perspective. These risks, in turn, feed the ongoing monitoring and auditing work plans with placeholders for notably high-risk items that are unforeseeable at the time the work plan is developed and approved. Risk areas identified through CMS/ DHS audits and oversight, as well as through HPP's own monitoring, audits and investigations are considered priority risks.

Regarding HPP's monitoring and auditing work plans, HPP's Compliance Departments rely heavily on its ongoing assessment of risk when developing its monitoring and auditing work plan. The work plans include a schedule that lists all of the monitoring and auditing activities for the calendar year, and is arranged largely by Compliance Program element, followed by the schedule. HPP includes internal audits of our operational areas as well as audits of our directly contracted vendors. Within HPP's policies and procedures, processes for responding to all monitoring and auditing results and for conducting follow-up reviews of areas found to be non-compliant can be found.

HPP's Compliance Audit function is performed by units within the Compliance Departments and includes Compliance Department staff. Participants of HPP's audit function are knowledgeable about operational requirements for their respective areas under review, and when appropriate are educated on new areas. On occasion, HPP's Compliance Audit unit may request operational, business unit staff assist in audit activities provided the assistance is compatible with the independence of the audit function, and the business units other responsibilities.

In addition to the development of HPP's Compliance work plans, HPP also maintains a strategy to monitor and audit our vendors to ensure that they are in compliance with all applicable laws and regulations, and to ensure that they are monitoring the compliance of the entities with which they contract (the sponsors' "downstream" entities). As stated, HPP included in its work plans the number of vendors that will be audited each year and how the entities were identified for auditing, in addition to leaving several placeholders open for audits that were not foreseeable at the time the work plan was created and approved. As resources allow, HPP strives to conduct a portion of vendor audits on site.

Aligned with HPP's monitoring efforts of internal operational areas, HPP also conducts specific monitoring of our vendors and their delegated responsibilities to ensure they fulfill all compliance program requirements. Due to resource constraints and in the interest of maximizing our Compliance Program effectiveness, this effort is largely based upon a vendor risk assessment that aims to identify our highest risk vendors, and then target a reasonable number of these entities to audit or monitor more closely.

HPP tracks and documents all compliance efforts using various mechanisms, including dashboards, reports, issue logs, and other mechanisms that show the extent to which operational areas and delegated responsibilities are meeting compliance thresholds and/or goals. Compliance of operational areas is tracked by the Compliance departments as well as various operational units and issues of noncompliance identified in dashboards are shared with senior management.

HPP, through various business units, review the DHHS OIG List of Excluded Individuals and Entities (LEIE list), System for Award Management (SAM; formerly the GSA Excluded Parties Lists System (EPLS)) and MediCheck (if applicable), prior to the hiring or contracting of any new employee, temporary employee, volunteer, consultant, governing body member, or vendor, and monthly thereafter, to ensure that none of these persons or entities are excluded or become excluded from participation in federal programs. After entities are initially screened against the entire LEIE and SAM at the time of hire or contracting, HPP reviews these exclusions monthly.

HPP openly allows access to any auditor acting on behalf of the federal government, DHS, or CMS to conduct an on-site audit, as well as providing records to CMS/DHS or its designee upon request. To this end, HPP maintains an absolute cooperative policy with regard to cooperation with initiatives such as these and allows access as requested.

Procedures and System for Prompt Response to Compliance Issues:

HPP conduct timely inquiries into any compliance incidents or issues involving potential program noncompliance. Program noncompliance may be reported through a number of means, including HPP's open-door policy, email channels, our hotline, grievances/ CTM's, monitoring efforts, or via audit. Regardless of how HPP identifies noncompliance, we initiate inquiry as quickly as possible, and but not later than 2 weeks after the date the potential noncompliance was identified.

The Compliance Departments' investigative activities include a preliminary review of the matter by Compliance personnel, including the applicable Compliance Officer(s) and, as warranted, HPP's SIU, notably if the issue appears to involve potential fraud or abuse. See HPP's SIU Fraud, Waste, and Abuse Plan for additional information on responses to potential FWA reported.

HPP's ongoing monitoring of program noncompliance is shared with the appropriate regulatory agency during ongoing communications, and as applicable, is referred to either CMS or DHS for purposes of self-reporting and ensuring proper compliance remediation. In all instances of identified non-compliance, the Compliance Audit units bear responsibility for undertaking appropriate corrective actions in response to the degree of noncompliance. Corrective actions and mitigation thereof are designed to correct the underlying problem that results in the non-compliance at issue, and to prevent future re-occurrence. Additionally, a root cause analysis determines what caused the non-compliance to occur.

HPP business units are tasked with ensuring that vendors both report program noncompliance that has been delegated to them and with ensuring vendors have corrected their deficiencies. HPP business leaders are held accountable to these vendors' activities, and ensuring their vendor counterparts have implemented the appropriate corrective actions issued. HPP also reserves the right to audit vendors, including ensuring that corrective actions were appropriately implemented.

Code of Business Conduct

Ethics and core values are fundamental to HPP's reputation. This COBC is based on our core values, quality, ethics, and caring for our employees, members and providers. Its purpose is to convey HPP's commitment to compliant and ethical behavior, including expectations of business conduct, and appropriate corporate and employee practices. HPP's COBC also strives to address the manner in which HPP's employees, officers, and staff conducts business activities on behalf of HPP. It is the responsibility of all HPP employees, temporary employees, independent contractors, consultants, committee members, volunteers/student interns, and subcontracted agents (collectively hereinafter referred to as "employees" for purposes of this document) to act appropriately, professionally and without violating the company's COBC policy.

HPP's continued success is directly related to our ability to adhere to these compliance and ethics commitments, and to deliver quality services in accordance with high standards of HPP's vision, mission, values as well as governing law. It is the expectation of HPP that every employee, officer, or staff member be familiar with HPP's COBC and adheres to it at all times. Any employee, officer, or staff member who has any questions about any aspect of the COBC should contact their immediate supervisor, Human Resources, the Compliance Departments, or the Office of General Counsel.

All employees and vendors are required to receive our COBC. Each year, you will be asked to:

- Review our COBC to ensure that you understand the Code and comply with it and other HPP policies.
    - HPP employees are required to complete a Code of Conduct Acknowledgment Form to confirm that you have read and understand the Code and comply with it and other HPP policies.
    - Vendors must receive HPP's COBC, but may distribute their own equivalent version to their employees.
- Disclose any potential conflicts of interests.
- Raise concerns you may have about possible Code violations.

Keep in mind, circumstances may change over the course of the year. If a new situation introduces a potential conflict of interests, discuss it with your manager or Compliance Officer immediately.

Reporting Your Concerns

Any time you observe or suspect a violation of this Code, the law, or our policies, you are obligated to report it. If you aren't sure about the right course of action, you should ask for help from any of these resources:

- Your manager knows you and your job and can often apply his or her business experience to help you make the right decision.
- HPP's Human Resources staff can help with workplace and employment issues.
- HPP's Compliance Officers can help with concerns or issues related to business conduct, integrity or compliance.

The Medicaid/CHIP Compliance Officer is Kearline Jones and the Medicare Compliance Officer is Andrew Finkelstein.

Grievance Procedure

Misunderstandings or conflicts can arise in any organization. To ensure effective working relations, it is important that such matters be resolved before serious problems develop. Most incidents resolve themselves naturally; however, if a situation persists that you believe is detrimental to you or to HPP, you should follow the procedure described here for bringing your complaint to management's attention.

Step One. Discuss the problem with your immediate supervisor as a first step. If, however, you do not believe a discussion with your supervisor is appropriate, you may proceed directly to Step Two.

Step Two. If your problem is not resolved after discussion with your supervisor or if you feel a discussion with your supervisor is inappropriate, you are encouraged to request a meeting with the next person in your chain of command up to and including your

department's Senior Vice President. In an effort to resolve the problem, your management will consider the facts and may review the matter with Human Resources. If you do not believe a discussion with your management is appropriate, you may proceed directly to Step Three.

Step Three. If you are not satisfied with your management's decision or if you feel a discussion with your department management is inappropriate, you can request a meeting with someone from Human Resources. Human Resources will conduct an investigation and will normally advise you of its decision within 15 working days.

HPP does not tolerate any form of retaliation against employees availing themselves of this procedure. The procedure should not be construed, however, as preventing, limiting, or delaying HPP from taking disciplinary action against any individual, up to and including termination, in circumstances (such as those involving problems of overall performance, conduct, behavior or demeanor) where HPP deems disciplinary action appropriate.

Compliance Hotline

An additional resource for you to report your concerns or to report actual or suspected non-compliance or fraud, waste, or abuse is HPP's Compliance Hotline. The HPP Compliance Hotline may be used by anyone to report issues of actual, or suspected non-compliance with state (i.e.: Medicaid/ CHIP), or federal (i.e.: Medicare) health care programs, or privacy and security (i.e.: HIPAA) laws. The Hotline is answered by a third-party vendor on behalf of HPP, and is available 24/7. Although you may identify yourself within your report, you will also be afforded the right to remain anonymous. At the end of your report, you will be provided with an ID number that you may use to call back and receive updates of any investigations initiated by HPP.

Health Partners Plans Compliance Hotline: 1-866-477-4848.

In addition to the Compliance Hotline, HPP has alternative reporting methods, such as e-mail, website, and direct reporting. Provided below are details associated with each of these mechanisms.

File a report through www.healthpartnersplans.ethicspoint.com. Reports filed through this webpage will be handled by a third-party vendor on behalf of HPP. An option for anonymous reporting is provided on the webpage. For employees, our reporting website (handled by a third-party vendor) may be accessed through our intranet. Vendors should use the link provided above. Although you may identify yourself within your report, you will also be afforded the right to remain anonymous. At the end of your report, you will be provided with an ID number that you may also use to call back and receive updates on any investigations.

Although not anonymous, email may also be used to report issues of actual or suspected non-compliance.

Health Partners Plans Compliance E-Mail: compliance@hpplans.com.

In addition to the above channels of communication, you can always report issues directly to Compliance personnel, the Office of General Counsel, or your supervisor.

Medicaid/CHIP Compliance Officer:	Kearline Jones	215-991-4063
Medicare Compliance Officer:	Andrew Finkelstein	215-991-4305
Security and Privacy Officer:	Mark Eggleston	215-991-4388
General Counsel:	Johnna Baker	215-991-4051

You can also report suspected fraud, waste and abuse to HPP's Special Investigations Unit (SIU).

Special Investigations Unit (SIU)

The SIU is a Unit established to investigate illegal or unethical conduct of providers, members and employees. If such actions are found to reasonably appear to be intentional, the illegal or unethical conduct will be reported to the appropriate law enforcement or government agency (e.g. NBI Medic, Centers for Medicare and Medicaid Services, Department of Health and Human Services, etc.). To instill appropriate conduct, the SIU will provide mandatory Fraud, Waste and Abuse training for all employees.

Department of Human Services (DHS): 1-866-379-8477

Special Investigations Unit: 1-866-HPSIU4U (1-866-477-4848)

The HPP SIU Hotline may be used by anyone to report issues of actual, or suspected fraud, waste, or abuse matters, or, suspected non-compliance with state (ie: Medicaid), or federal (ie: Medicare) health care programs, or privacy and security (ie: HIPAA) laws. The Hotline is answered by a third-party vendor on behalf of HPP, and is available 24/7. Although you may identify yourself within your report, you will also be afforded the right to remain anonymous. At the end of your report, you will be provided with an ID number that you may use to call back and receive updates of any investigations initiated by HPP.

SIU email: SIUtips@hpplans.com

Please note, email is not considered anonymous however, your reports will be handled in confidence to the fullest extent possible.

Whistleblower

Good faith reporting of suspected non-compliance or fraud, waste and abuse is expected and accepted behavior. Anyone who in good faith reports a violation is referred to as a "whistleblower" and is protected from any retaliation by the Company. A number of laws contain whistleblower protection, including the "False Claims Act". You

are expected to cooperate with any investigation resulting from a report. Once noncompliance, fraud, waste or abuse has been detected, a plan to correct the issue will be developed.

Noncompliance with the COBC may be cause for disciplinary action, including termination of employment/contract. In some situations, you may be reluctant to report a violation of this COBC. Rest assured that reports are welcomed and encouraged. Reporting your concerns reflects our collective commitment to open and honest communication. We will do our best to guard your privacy if you report a violation, raise a concern or are involved in a complaint or investigation. If a violation is found, appropriate corrective actions will be taken, including disciplining those involved.

HPP has a zero-tolerance retaliation policy. This means that HPP prohibits intimidating or retaliating against anyone who files a report in good faith:

- Makes a complaint or reports a violation to HPP or any law enforcement or government agency
- Cooperates or helps with a government or internal investigation
- Conducts self-evaluations, audits, remedial actions or other activities in support of our compliance program
- Provides information to the government or HPP about a breach of law or HPP

It is the responsibility of every employee to ensure compliance. Regardless of your position within the company, you may be disciplined or lose your job, if you:

- Intentionally withhold information, or provide false information in connection with an investigation, about a violation of the Code, a law or a regulation
- Intimidate or retaliate against an employee who reports a suspected violation — regardless of whether the report is made within HPP or to an outside law enforcement or government agency
- Intimidate or retaliate against an employee who cooperates or helps with an investigation
- Neglect to address or report a violation of the Code, or a law or regulation, committed by someone you manage
- Tell an employee to violate the Code, an HPP policy, a law or a regulation

Responsibility of Management

If an employee directly raises a concern or asks for help, or you are indirectly made aware of a potential COBC violation, as a manager you must respond. Be sure to report any compliance or business conduct and integrity issue right away to the appropriate HPP Compliance Officer or to the General Counsel.

Gifts, Hospitality and Entertainment

Ethics and core values are fundamental to HPP's reputation. The Code of Business Conduct is based on our core values, quality, ethics, and caring for our employees, vendors, members and providers.

No employee or vendor may, either directly or indirectly, offer or give money or investment interests of any amount to any government employee or official, or any other person or entity with whom the employee or vendor is doing business with through his/her employment with HPP. No employee or vendor may offer or make a gift of any kind to a government employee or official or other person or entity doing business with HPP of any item of more than nominal value, not to exceed $10 in value per gift. Employees and vendors must not engage in any behavior that could create the appearance that they are offering a gift or bribe, or other item of value in order to influence a government employee or official or other person or entity doing business with HPP in the performance of his or her duties. Such violations may violate existing laws such as the Anti-Kickback Statute.

Exclusion Screening

HPP has written policies and procedures to conduct reasonable and prudent background investigations to determine whether prospective employees and prospective non-employees who may perform work or service functions on behalf of HPP were criminally convicted, suspended, debarred, or excluded from participation in state and federal programs.

When vendors are used, HPP ensures that the vendor has a compliance program in place and conducts necessary background and suspension/debarment checks on its own employees. Vendors are required to provide HPP with reports of these activities and outcomes.

HPP conducts monthly screenings of current employees and any others who perform work or service functions on behalf of HPP to determine whether they have been suspended or disbarred, or are under criminal investigation or indictment. If an employee or vendor is found to be ineligible, the employee or vendor is removed from direct responsibility for, or involvement with, the state or federal programs, or is terminated as appropriate.

Conflict of Interest

A conflict of interest is any situation that may present itself as an opportunity for personal gain apart from your normal salary and benefits. It could also conflict with or appear to conflict with HPP interests. As an HPP employee or vendor, you may not maintain any outside financial business interests that conflicts with or interferes with your ability to perform your job responsibilities. Here at HPP, we expect our employees and vendors to avoid real or apparent conflicts of interests. All HPP employees and those of our vendors are required to report any actual or possible Conflicts of Interest.

All HPP employees are required to complete a Conflict of Interest certification form at the time of hire and annually thereafter.

Example of conflicts of interest**:**

- Giving a company preferential access to results of HPP conducted research while providing personal consulting services to that company
- Accepting a gift from a vendor
- Being involved in the decision to hire a company in which your spouse or a family member is an employee to provide services to HPP
- A manager provides paid consulting services on the weekend to a company customer or supplier
- A member of the HPP board of directors accepts fees and provides advice to a company that is in direct competition with the company on whose board of directors he sits

If you are an HPP employee and believe that you may have an actual or possible conflict of interest, you must report it to your Manager, Human Resources or seek guidance from the Office of General Counsel to determine whether you should report the situation by updating your Code of Conduct Acknowledgment Form with the information.

If you are a vendor and believe that you may have an actual or possible conflict of interest, you must report it to your manager or seek guidance from your own internal Compliance Officer or speak to one of our Compliance Officers. Your disclosure will be reviewed by Compliance and by the General Counsel, and you will receive appropriate guidance.

It is important that every HPP employee and vendor be aware of the various laws and regulations that govern our business. Provided below are a few details regarding some of the governing regulations including, but not limited to (i) confidentiality requirements set forth by the Health Insurance Portability and Accountability Act, (ii) preventing FWA as established in the False Claims Act and Deficit Reduction Act of 2005 (DRA), (iii) prohibition against the exchange (or offer to exchange), of anything of value, in an effort to induce (or reward) the referral of federal health care program business as outlined in the Anti-Kickback Statute.

Confidentiality

Confidentiality is the responsibility of all HPP employees and vendors to maintain in strict confidence any proprietary or confidential information regarding HPP business operations or providers. This information may include, but is not limited to information on members, employees, vendors, providers, research, and financial and business operations. Such information is made confidential by law or by HPP Confidentiality policy. Further, anyone who has any role at all in the production, gathering, storing, processing, or transmittal of confidential and/or protected health information (PHI) must be careful in how they deal with privacy issues in the workplace. This information

should not be discussed with anybody, except as necessary to do your job, including other members, co-workers, other families, your family and friends. You must be alert to others overhearing your professional discussions regarding a member or an employee's behavior or performance. HPP employees and vendors are trained to protect the confidentiality and privacy of all constituents. Questions or concerns regarding confidentiality, laws, acts, and processes for same are to be directed to the General Counsel. Any inquiries from the media concerning a member should be referred to the Communications Department at all times and no comment should be made to the media. Disclosure of confidential information is grounds for disciplinary action up to and including termination.

Health Insurance Portability and Accountability Act (HIPAA)

The Health Insurance Portability and Accountability Act of 1996, as supplemented by The Health Information Technology for Economic and Clinical Health (HITECH) Act of 2009 (collectively, HIPAA Rules) are federal laws that apply to health plans. HIPAA and all applicable regulations were enacted to simplify the administration of health insurance and ensure the safeguarding of protected health information (PHI). Protected health information may be information in any form e.g. written, electronic, oral, overheard or observed. It is important for all employees and vendors to understand HPP's HIPAA policy, privacy and security procedures as it directly relates to the management of PHI. Access to all information is granted on a "need to know basis". A "need to know" is defined as information that is required in order to do your job.

HPP has implemented all transaction and code requirements, adopted privacy and security procedures, designated a Privacy & Security official, and provided ongoing training to all workforce members. It is important for all employees to understand HIPAA privacy and security procedures as it directly relates to the requirements for member healthcare information. For business functions not conducted at HPP that involve the sharing of PHI, we require all vendors, subcontractors, consultants, etc., to sign written Business Associate Agreements that ensure these entities adhere to all HIPAA requirements. Additionally, the HPP Notice of Privacy Practices is sent to new members upon enrollment and existing members every three years and as requested. Our members have rights, under federal law, to access, restrict and amend their medical records, obtain an accounting of any use of their PHI, and to request alternative methods of communicating information. We also have a process for members to use in filing and dealing with complaints. Finally, we take measures necessary to see that PHI is not used for marketing or fundraising. Please see our Privacy Official or Legal Affairs with any questions about the complaint process.

Employee and Vendor Responsibility

Confidentiality rules and regulations are separate from HIPAA rules, however it is everyone's responsibility to make sure that we handle all confidential and HIPAA protected information in the proper way. It is the obligation of our employees and those of our vendors to abide by all rules and regulations set forth for the handling of

confidential and/or proprietary information and PHI through HIPAA, privacy standards and security rules, departmental procedures, and all protocols surrounding confidentially. For this reason, all HPP employees are required to sign a Confidentiality Agreement after receiving Confidentiality Training and also must participate in the separate Privacy & Security training at hire and annually thereafter. HPP requires that our applicable vendors complete a business associate agreement which is a contract that outlines how the vendor will protect PHI in accordance with HIPAA guidelines. The business associate agreement describes the permitted and required uses of PHI by the vendor; provided that the vendor will not use or further disclose the PHI other than as permitted or required by the contract or as required by law; and require the vendor to use appropriate safeguards to prevent a use or disclosure of PHI other than as provided for by the contract.

Under HIPAA, HPP employees and vendors may only disclose a member's PHI to another covered entity for the treatment, payment or health care operation of HPP, or the other covered entity; or for the health care operations of an organized health care arrangement in which HPP participates. If PHI is to be disclosed for any other purpose, the member's written authorization is mandatory. Whether the PHI must be authorized or does not need to be authorized, HPP employees and vendors must always release only as much information as necessary to address the need of the entity requesting the information.

HIPAA regulations permit workforce members to disclose and report protected health information (PHI) in order to expose unlawful or unprofessional conduct as well as submit a complaint regarding procedures. The HIPAA regulations prohibit HPP from intimidating or retaliatory acts against persons who expose problems or bring complaints. Nonetheless, all violations or suspected violations of confidentiality and/or HIPAA privacy and security procedures must be reported immediately to the Privacy Officer.

Disclosure of confidential information is strictly prohibited. Anyone who violates this policy will be subjected to appropriate discipline, up to and including dismissal from HPP. This applies to both the processes for Confidentiality and Proprietary information, as well as that under HIPAA.

The HIPAA law also allows for civil penalties per HIPAA violation to both the violator and/or entity. Moreover penalties can be "stacked" if there are multiple violations with respect to a single individual. There are maximum civil penalties per year, per person, per standard. Thus, if two standards were violated with respect to one person, the potential penalties could increase significantly. Criminal penalties may be imposed for "knowingly and improperly" disclosing information or obtaining information under "false pretenses", with higher penalties reserved for violations designed for financial gain or "malicious harm".

HPP employees may stay current on all HPP HIPAA procedures by visiting our intranet site.

You can also report potential noncompliance of providers, members and employees to the Privacy Official via e-mail at privacyofficial@hpplans.com.

Our Legal Affairs department provides guidance for all confidentiality areas and issues; and, HPP has an annual, mandatory Confidentiality training for its workforce. Contact our General Counsel with any questions or concerns..

False Claims Act and Deficit Reduction Act of 2005 (DRA)

It is the policy of HPP to provide detailed information to its employees – and those of its vendors – about the role of the federal False Claims Act, the federal Program Fraud Civil Remedies Act, and applicable state false claims laws in preventing fraud, waste, and abuse in federal health care programs, including the Medicaid program.

False claims laws seek to prevent fraud, waste, and abuse in government health care programs in two significant ways. First, they permit the government to bring civil lawsuits to recover damages and penalties against health care providers that submit false claims. Second, these laws often permit private persons, including current or former employees of such providers, to bring so-called “whistleblower” actions against the providers on the government's behalf.

HPP employees may find more detailed information about the False Claims Act and Whistleblower provisions, by referring to the SIU Policy # 140.1.1, on the Unit’s web page.

For details on how to report any suspected violations, please refer to the section titled “Reporting your concerns”.

Anti-Kickback Statute

The Federal Anti-Kickback Statute’s main purpose is to protect patients and the federal health care programs from fraud and abuse by curtailing the corrupting influence of money on health care decisions. The Federal Anti-Kickback Statute prohibits the knowing and willful solicitation, offer, payment or acceptance of any remuneration (anything of value), directly or indirectly, overtly or covertly, in cash or in kind in return for:

- referring an individual to a person for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in party under a Federal health care program; or
- purchasing, leasing, ordering, or arranging for or recommending purchasing, leasing, or ordering any good, facility, service, or item for which payment may be made in whole or in party under a Federal health care program.

The law states that anyone who knowingly and willfully receives or pays anything of value to influence the referral of federal health care program business, including Medicare and Medicaid, can be held accountable for a felony. Violations of the law are punishable by up to five years in prison, criminal fines up to $25,000, administrative civil money penalties up to $50,000, and exclusion from participation in federal health care programs.

In 1987, Congress authorized the Department to issue regulations designating specific "safe harbors" for various payment and business practices that, while potentially prohibited by the law, would not be prosecuted. To be protected by a safe harbor, an arrangement must fit squarely in the safe harbor. Failure to comply with a safe harbor provision does not necessarily mean that an arrangement is illegal. Compliance with safe harbors is voluntary, and arrangements that do not comply with a safe harbor must be analyzed on a case-by-case basis for compliance with the anti-kickback statute.

If you suspect any violations of the Anti-Kickback Statute, you are required to report this to the SIU. The SIU will determine whether or not there is an actual violation or if it is an arrangement that is covered by an existing Safe Harbor. For information on how to file an incident, please refer to the section titled “Reporting your concerns”.

Antitrust Laws

Antitrust laws protect consumers and commerce from unfair business practices such as unfair restraints, monopolies, and price-fixing. HPP is prohibited from:

- Entering into an agreement with another healthcare organization with a similar line of business that would significantly reduce competition in the market place;
- Using exclusionary practices to blockade entry or expansion by alternative insurers;
- Entering into an agreement with competitors to raise, lower, or otherwise stabilize the price range, or any other competitive term that will be offered for their products or services (this includes fixing premiums and provider payments);
- Implement supposedly quality-improving or cost-reducing measures simply to raise prices
- Partner with other organizations to boycott or jointly refuse to deal with a supplier, customer or provider (HPP reserves the right on its own to refuse to do business with another supplier, customer or provider);
- Disclose confidential information to competitors that would otherwise have a negative impact to the marketplace.

Stark Law

The Physician Self-Referral Law, commonly referred to as the Stark Law, prohibits physicians from referring patients to receive "designated health services" payable by Medicare or Medicaid from entities with which the physician or an immediate family

member has a financial relationship, unless an exception applies. Financial relationships include both ownership/investment interests and compensation arrangements.

Stark Law prohibits the entity from presenting or causing to be presented claims to Medicare or Medicaid (or billing another individual, entity, or third-party payer) for those referred services. This law has established a number of specific exceptions and grants the Secretary the authority to create regulatory exceptions for financial relationships that do not pose a risk of program or patient abuse.

The following items or services are considered “Designated Health Services”:

- Clinical laboratory services.
- Physical therapy services.
- Occupational therapy services.
- Outpatient speech-language pathology services.
- Radiology and certain other imaging services.
- Radiation therapy services and supplies.
- Durable medical equipment and supplies.
- Parenteral and enteral nutrients, equipment, and supplies.
- Prosthetics, orthotics, and prosthetic devices and supplies.
- Home health services.
- Outpatient prescription drugs.
- Inpatient and outpatient hospital services.

The Stark Law is a strict liability statute, which means proof of specific intent to violate the law is not required. The Stark Law prohibits the submission, or causing the submission, of claims in violation of the law's restrictions on referrals. Penalties for physicians who violate the Stark law include fines as well as exclusion from participation in the Federal health care programs.

For more information, see CMS's Stark Law Web site:
http://www.cms.gov/Medicare/Fraud-and-Abuse/PhysicianSelfReferral/index.html

Record Retention

HPP Corporate Services Department is responsible for systematically providing appropriate storage for all adequately identified records, files, and printed materials. HPP is required to maintain a Records Retention Procedure in compliance with requirements of all regulatory and accrediting agencies, including but not limited to the Department of Health and Human Services, the Comptroller General or their

designee(s), Centers for Medicare/Medicaid Services, Pennsylvania Departments of Health, Welfare and Insurance, and the National Committee for Quality Assurance.

HPP maintains various business records for various business purposes. Each type of record is further defined as follows:

- Electronic Records: Electronic records include numeric, graphic, and text information which may be recorded on any medium capable of being read by a computer and which satisfies the definition of a record as defined in this section. This includes, but is not limited to magnetic media such as computer tapes, disks, optical disks, diskettes and other electronic storage devices and electronic filing systems. These requirements apply to all electronic records systems.

- Financial Records: Books, records and evidence pertaining to revenues, expenditures and other financial activity. Financial records are considered permanent records.

- Medical Records: Information concerning a member's medical history. Members' medical records are the property of the provider who generated the record. Medical records are considered permanent records.

- Non-Permanent Records: Non-Permanent records are those records that need to be retained for a specified period of time and which may be disposed of without prior approval upon expiration of the retention period provided in the applicable records retention schedule. These records must be listed in the appropriate Records Disposal Log. Examples of Non-Permanent records include but are not limited to the following:
    a) Facility Records
    b) Receipts
    c) Internal Budget Requests
    d) Employee payroll and personnel Records (after employment has terminated)
    e) Payroll Earning and Deduction Records
    f) Applications for Employment
    g) Job Descriptions and Announcements
    h) General Administrative Records
    i) Purchase Order Records
    j) Purchasing Files
    k) Supply Requisitions
    l) Equipment leases
- Operational Data Reports**:** Source records for data reports.

- Permanent Records**:** Permanent Records are records that are required to be maintained for a specified period of time by federal or state law or regulation, or by contractual obligation. HPP will maintain all permanent records for a period of

ten (10) years following the expiration of its respective HMO contracts with DHS and CMS (unless a shorter period is authorized by federal or state law or regulation, or specifically authorized by DHS, CMS, PID, or any other regulatory agency), or the completion date of an audit, whichever is longer. Audit periods include the timeframe in which HPP is subject to corrective action and/or monetary sanctions. This policy applies to both documents maintained electronically and on paper. Examples of Permanent records include but are not limited to the following:

a) Leases (property)
b) Contracts
c) Annual Reports
d) Reports filed with regulatory agencies
e) Equal Employment Records
f) Employee Records
g) Immigration Records
h) Financial Records
i) Budget Records
j) Medical Records

- Records not Subject to Retention**:** Records not subject to retention are those records which need not be maintained permanently or for a specified period of time, and which may be used by HPP employees as unofficial in-house working papers, reference materials and drafts. No approval is required to dispose of these records.

Any questions related to whether or not a material is able to be destroyed should be directed to the HPP Legal Affairs department or General Counsel.

Disciplinary Standards for Vendors

For details related to disciplinary actions that will be taken against internal employees, please refer to the section of the Employee Handbook titled “Corrective Counseling and Performance Management”.

All of HPP’s vendors must comply with all applicable Federal and State laws, regulations, and communications, adhere to their contractual obligations, and comply with the terms of the COBC.

To meet these requirements, vendors have the following responsibilities:

- Participate in Fraud, Waste, and Abuse and Compliance Training
- Comply with the terms of their contract with HPP, the Business Associate Agreement (BAA), and the Medicare Addendum, which includes, but is not limited to:
    - Perform Excluded Entity Checks against the Office of the Inspector General List of Excluded Entities and Individuals (OIG LEIE), the System

for Awards Management (SAM) database and Medicheck (when applicable)
- Record Retention
- Oversight of Downstream Entities
- Plan Right to Audit, Evaluate, and Inspect Records
- Protection of Personal Health Information (PHI)
- Adherence to Health Insurance Portability and Accountability Act (HIPAA) regulations
- Comply with all applicable Federal and/ or State laws, regulations, and instructions
- Maintain an effective compliance program – All vendors are required to have an effective compliance program to ensure that the vendor is complying with the provisions within the contract, business associate agreement, Medicare Addendum and operating under the applicable Federal and/or State laws, rules, and regulations.
- Report all potential non-compliance violations relating to HPP's business, including unethical or illegal behavior as noted in the COBC
- Adhere to the terms of the COBC

HPP will thoroughly research any allegation of potential non-compliance or fraud, waste, and abuse in accordance with HPP's policies and procedures. The vendor shall assist in resolution of reported issues, as needed.

Once the appropriate Compliance Officer has been made aware of an incident he/she will assign a staff member the responsibility for the investigation. The Compliance department will initiate the investigation as quickly as possible, but no later than two (2) weeks after the date the potential non-compliance or potential FWA incident was identified.

The Compliance representative responsible for performing the investigation will:
- Identify the issue
- Interview applicable individuals (internally at HPP as well as the vendor, if necessary)
- Request and review documentation pertaining to the incident
- Identify potential risks related to or as a result of the incident
- Create a report of the findings of the investigation and provide to the Compliance Officer
- Initiate CAPs as applicable
- Initiate referrals to required government agency, if warranted, including CMS Regional Account Manager, NBI MEDIC, OIG, DHHS, etc.

If it is determined that a vendor is not meeting compliance expectations or performing effectively as outlined in their contract or is in violation of the COBC, appropriate action will be taken. Such action may include, but not limited to, training and education, corrective action, contract termination, and/or reporting of non-compliant, unethical, or illegal behavior to the appropriate government agency (e.g. CMS, Department of

Insurance, etc.). The seriousness of the violation of the COBC will determine the disciplinary action to be administered.

If the vendor's performance falls below the expectations of the contract or if the organization engages in inappropriate conduct, disciplinary action will be taken.

Corrective counseling or discipline will be applied on a progressive basis except in certain situations involving misconduct (e.g. actions that affect HPP's reputation, such as falsifying company records, fraudulently submitting claims, etc.). HPP reserves the right to skip or repeat steps at its discretion. HPP reserves the right to terminate its contract with the vendor if it is determined that the organization has failed to comply with the provisions of its contract with HPP, Medicare Addendum, business associate agreement, or HPP's COBC.

Provided below are examples of corrective counseling or discipline that may occur:

- Verbal Counseling: The nature of the performance standard or conduct is discussed with the First-Tier and requirements for performance/conduct improvement are identified.

- Written Warning: If unacceptable performance or behavior continues, the First-Tier will be notified in writing of their failure to adhere to certain requirements. The written warning will define the desired outcome, establish deadlines and document the fact that no significant improvement occurred since the verbal counseling. It also will identify any consequences that are a result of the entities failure to comply.

- Corrective Action Plan: If the issue has not been resolved through verbal counseling or written warning, the First-Tier will be placed on a corrective action plan. The corrective action plan should detail the infraction, outline the action required to improve performance, identify consequences for failing to improve performance, and establish specific dates for performance discussion between HPP and the First-Tier entity and a time frame by which improvement must be made.

- Suspension: A suspension may be warranted when circumstances reasonably require an investigation of a serious incident in which an organization, or employee thereof, was allegedly involved, when repeated warnings have been unsuccessful in changing outcomes or when there is a serious violation of either the contract, Medicare Addendum, or Code of Conduct. Suspension is not a required step in the corrective action process.

- Termination: If it is determined that a violation is egregious enough, HPP retains the right to terminate its contract with the First-Tier entity.