

# Community

H e a l t h G r o u p



## **Code of Conduct**



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## 1. Company Commitment

Community Health Group (CHG) is committed to the highest standards of ethical and professional conduct and to complying with all applicable federal and State standards, statutes, regulations, sub-regulatory guidance and contractual commitments. This Code of Conduct (“Code”) establishes basic standards of business practice and personal and professional conduct that are expected of all employees. These standards require honesty and candor in CHG’s activities. Community Health Group expects you to abide by not only the “letter” (that is, the actual text) but also the “spirit” of this Code so as to avoid even the appearance of improper behavior.

No code or policy can anticipate every situation that may arise. Accordingly, this Code is intended to serve as a source of guiding principles. You are encouraged to bring questions about particular circumstances that may implicate any provision of this Code to the attention of your supervisor, the Compliance Officer, and/or Chief Corporate Counsel.

### Remember ...

It is our commitment to protect our reputation and our brand by adhering to the values and principles set out in this Code. By doing so, we strengthen our unique culture and identity.

## 2. Your Responsibilities & Protections

You are expected to conduct your CHG responsibilities in compliance with this Code and with a commitment to the highest standards of ethical and professional conduct. If you become aware of a violation of this Code, the law, or CHG policies, you are required to report it in a timely manner. If you are unsure whether an activity or practice is illegal or inappropriate, please ask for help (you can ask your supervisor, your Chief, the Compliance Officer, and/or the Chief Corporate Counsel). Employees are encouraged to ask compliance-related questions. You are protected from retaliation whenever you report in **good faith** a potential violation of this Code, the law, or CHG policies.

Your commitment to conduct yourself in accordance with this Code is essential to its success. Each of us has a personal responsibility to adhere to these guidelines and to report any potential or actual violations (see Section 18 for the different ways you can report issues, including anonymous reporting). All CHG employees are required, upon hire and annually thereafter, to certify that they have received and read this Code and understand its contents.

If you fail to comply with this Code, you will be subject to disciplinary action, up to and including termination of service.

### FYI

“Good faith” means having a reasonable belief that the information you have provided is truthful. It does not mean having all the evidence about the potential violation or case reported.



### 3. Non-Retaliation Policy

Employees are encouraged to report issues regarding this Code of Conduct without fear of intimidation or retaliation, including, but not limited to: reporting potential issues, investigating issues, conducting self-evaluations, audits and remedial actions, and reporting to appropriate officials. Community Health Group has a zero tolerance retaliation policy and will discipline individuals who retaliate with discriminatory behavior or harassment up to and including termination of service.

### 4. Principles of Conduct

The principles set forth below are basic principles that **must** be followed:

- A. *Honesty*. Be honest, fair and trustworthy in all relationships when carrying out your duties for CHG.
- B. *Integrity*. Foster an atmosphere in which personal integrity and fair dealing are essential elements of what you do.
- C. *Conflicts of Interest*. Avoid any actual conflict of interest as well as the appearance of any conflict interest between work and your personal interests and, if there are any such conflicts or potential conflicts, seek approval beforehand from your supervisor and/or the Chief Corporate Counsel.
- D. *Obey the Law*. Obey all applicable laws, rules and regulations governing CHG's business, wherever it is conducted, and do not take any action, either personally or on behalf of CHG, that violates any such law or any other significant law or regulation. Do not take advantage of CHG, its employees, customers, vendors, suppliers, or any other third parties.
- E. *Loyalty*. Be loyal to CHG. Do not –
  - a. Deprive CHG of an opportunity;
  - b. Take for your own advantage an opportunity that belongs to CHG; or
  - c. Help others violate (a) or (b), if they are in a position to divert a CHG opportunity for their own benefit.

As with any other provisions in this Code, you are encouraged to bring any questions you may have regarding what is required of you to your supervisor, the Compliance Officer, and/or the Chief Corporate Counsel.

- F. *Community Health Group Assets*. Treat CHG property and funds with the same care and respect you would treat your own property and funds.
- G. *Confidential information*. Keep all confidential information of CHG in strict confidence, and do not directly or indirectly disclose or transmit any such information to any person who is not employed or contractually engaged by CHG at the time of such disclosure, and then, only in the ordinary course of your duties for CHG. This applies to all types of confidential information about CHG, its employees, and its customers, which may include the identity of members, financial information, claims payment information, CHG accident, personnel, or medical records and proprietary information. Such confidentiality is required both while you are employed or providing services for CHG and after you leave CHG or stop providing services for CHG. Never disclose this information in any form or forum, including, without limitation, on any personal website, blog, social media page, or any other publicly available internet forum. Do not use or attempt to use any such information for your personal advantage or for the benefit of CHG's competitors.



- H. **Gifts.** Business gifts and entertainment that are given and received are courtesies designed to build goodwill and sound working relationships among business partners. We do not, however, want to obtain business through improper means as to gain any special advantage in a relationship. Business gifts that compromise, *or even appear to compromise*, our ability to make objective and fair business decisions are inappropriate. Simply stated, offering or accepting bribes, kickbacks, or pay-offs is always prohibited. See Section 8 below for more information regarding gifts, gratuities, and entertainment.
- I. **Non-Discrimination.** Treat all persons fairly, regardless of such factors as race, color, national origin, religion, gender, sexual orientation, disability, marital or family status, military status, age, or other factors unrelated to CHG's business. Adhere to fair employment practices. Extend courtesy to every employee, customer, vendor, and supplier of CHG.
- J. **Non-Harassment.** Do not perform any acts of harassment or any acts that create the potential for harassment. Harassment may take many forms, including, without limitation, sexual advances, propositions, threats, threatening conduct, and unwanted physical contact.
- K. **Safety.** Conduct business in a way that protects the health and safety of employees, other people, and the environment. Employees should act in a manner that ensures compliance with all applicable governmental and private health, safety, and environmental requirements, including contributing to an alcohol- and drug-free workplace.
- L. **Non-Violence.** Foster a safe working environment free of violence. Acts or threats of violence in any form will not be tolerated.
- M. **Community Health Group Brand.** Do not post anything online that may be construed as representing CHG. Do not use the CHG logo or other trademarks on any personal website, blog, social media page, or any other publicly available internet forum in a way that suggests CHG sponsors the content therein.
- N. **Learn Your Job.** Invest the time necessary to learn your job thoroughly and learn from your colleagues who have more experience in the managed care business.
- O. **Policies and Procedures.** Be thoroughly familiar with, adhere to, and fully comply with all CHG policies and procedures.
- P. **Report Honestly.** Be honest and candid with regard to all reporting. Be timely and accurate in all your reporting tasks and activities. Do not change or alter numbers or facts to make yourself or someone else look better. Always express and report the truth.
- Q. **Reporting Non-Compliance.** Promptly report to the Compliance Officer, your supervisor, or a Chief any irregularities or apparent wrongdoing, including violations of the matters listed in this section and all facts surrounding any such incident. See Section 18 for more information regarding reporting non-compliance.
- R. **Report Non-Compliance Honestly.** Do not withhold, misrepresent, or misconstrue facts or information when reporting any matter to your supervisor or reporting violations of this Code or any other standards of conduct to the Compliance Officer, your supervisor, or a Chief.
- S. **Socializing with Coworkers.** Socializing with coworkers can be useful or damaging. Socializing should serve to build, rather than damage, your reputation and relationships. This is true both at work and outside of work. You should strive to both (1) promote friendly and collaborative relationships with coworkers and (2) maintain a professional workplace that respects people's privacy and serves to help CHG accomplish its mission. You should be thoughtful about what you



share with coworkers, avoid topics of a highly personal nature and topics that are out of place at work.

Many of the above principles are discussed further in the sections below.

## 5. Compliance Program

Community Health Group's Compliance Program monitors compliance with laws, regulations, sub-regulatory guidance (such as Department of Health Care Services All Plan Letters), contractual requirements, and policies and procedures. You should follow your job-specific procedures for complying with CHG's Compliance Program. Questions about the Compliance Program should be brought to your supervisor and/or the Compliance Officer.

## 6. Fraud, Waste, and Abuse Identification and Reporting

Community Health Group has established a fraud, waste, and abuse (FWA) prevention program and will investigate allegations of fraud, waste and/or abuse on the part of members, providers, vendors, pharmacies, employees, and any entity doing business with CHG. A powerful weapon against FWA is being knowledgeable and responsible about FWA so that you can recognize potential FWA and report it. All employees not only have the right to report suspected FWA but the responsibility under state and federal laws and contracts as well as CHG policy. The Federal False Claims Act and similar state laws make it a crime to submit a false claim to the government for payment. False Claims include, but are not limited to, billing for treatment not rendered; upcoding to bill for higher reimbursement; and falsifying records to support billed amounts.

These same laws protect individuals known as "whistleblowers." These individuals generally have inside knowledge of false claims billing by companies for whom they work or have worked. Under the federal False Claims Act, they may bring a civil suit against the company on behalf of the U.S. Government and, if the suit is successful, they may be awarded a percentage of the funds recovered.

There is a provision in the federal False Claims Act that protects a whistleblower from retaliation by an employer. Actions such as suspension, threats, harassment or discrimination could be considered retaliatory. Community Health Group will not tolerate retaliation against any person who has suspected fraudulent activity and reported those suspicions in compliance with CHG policy.

### Q&A

#### What are some common examples of health care fraud?

- Billing for services that were never rendered.
- Billing for more expensive services or procedures than were actually provided or performed, commonly known as "upcoding."
- Performing medically unnecessary services solely for the purpose of generating insurance payments.
- Accepting kickbacks for patient referrals.



## 7. Conflicts of Interest

A “conflict of interest” exists when a person’s private activities or involvement, whether paid or unpaid, could reasonably be expected to interfere in any way with the person’s objectivity, job performance, judgment or diligence in protecting and promoting the interests of CHG. Conflicts of interest may also arise when employees, or family members of employees, receive improper personal benefits as a result of their position or a family member’s position in CHG. All employees must notify their immediate supervisor and the Chief Executive Officer of any conflict of interest.

It is almost always a conflict of interest for employees to work simultaneously for a competitor of or vendor to CHG. The best policy is to avoid any direct or indirect business connection with CHG’s vendors or competitors, except as approved by CHG. Except under extraordinary circumstances, after full disclosure and approval by the Chief Executive Officer, CHG will not purchase property, materials, supplies, equipment or services from employees or from any business or company whose ownership or control presents a conflict of interest. Community Health Group also will not make any personal loans to employees.

An actual or perceived conflict of interest may not always be obvious. Therefore, if you have a question, you should consult with your supervisor and/or the Chief Corporate Counsel. Any potential conflict of interest, actual conflict of interest, or the appearance of a conflict of interest must be reported in accordance with this Code.

### **FYI**

A conflict of interest could be any known activity, transaction, relationship or service engaged in by an employee, his/her immediate family (including parents, siblings, spouse, partner, and children), relatives or a close personal relationship, which may cause concern (based upon an objective determination) that the employee could not or might not be able to fairly perform his/her duties for CHG.

## 8. Gifts, Gratuities and Entertainment

Employees are prohibited from accepting, offering or providing gifts, entertainment or gratuities if done with the intent (or if it could reasonably be perceived as being done with the intent) to influence the recipient to make a decision they would not otherwise make. Employees who receive a request for such a gift or gratuity must report it to the Chief Corporate Counsel. Anyone with questions about whether providing or accepting gifts, gratuities or entertainment is prohibited in any particular situation should contact their supervisor or the Chief Corporate Counsel.

The purpose of business entertainment and gifts in a commercial setting is to create good will and sound working relationships, not to gain unfair advantage. No gift or entertainment should ever be offered, given, provided, or accepted by any employees, family member of employees, or agent unless it: (1) is not a cash gift, (2) is consistent with customary business practices, (3) is not excessive in value, (4) cannot be construed as a bribe or payoff, and (5) does not violate any laws or regulations. If you receive a gift in value of \$25 or more, you should report it to the Executive Department. Please discuss with your



supervisor or the Chief Corporate Counsel any gifts or proposed gifts which you are not certain are appropriate.

The issue of gifts and gratuities may have legal implications when the government, a government entity, or other regulated entity is involved, and serious consequences can result from mishandling these relationships.

The decision to offer or accept gifts or entertainment should be made only in compliance with legal and ethical requirements, and with the involvement of a manager if you are unsure of the appropriate course.

### Remember ...

As a general rule, we may accept gifts or hospitality from a business associate, only if such a gift:

- has modest value and does not create a perception (or an implied obligation) that the giver is entitled to preferential treatment of any kind;
- would not influence, or appear to influence, our ability to act in the best interest of our company; and
- would not embarrass our company or the giver if disclosed publicly.

## 9. Protected Health Information

Protected Health Information (PHI) is information that both identifies a member and relates to their past, present, or future health or condition, provision of care, or payment for care. We are all responsible for protecting our members' health information. You must always follow your job-specific procedures for handling and protecting PHI.

## 10. Sensitive and Proprietary Information

Employees may come in contact with information of a confidential, proprietary, restricted or otherwise sensitive nature ("Proprietary Information"). Proprietary Information includes intellectual property such as trade secrets, patents, trademarks and copyrights, as well as business, marketing and service plans, databases, records, salary information, and financial data and reports. Proprietary Information may be encountered in many forms, such as documents, electronic media or even business conversations.

All employees are expected to take reasonable measures to protect Proprietary Information from being disclosed outside of CHG.

Questions about the proprietary nature of any information should be directed to your supervisor or the Chief Corporate Counsel.





## Q&A

**You have access to our member database. One of your friends is starting a business venture and requests you to share a few particulars from this database for marketing purposes of his business. He assures you that he would keep the data as well as his source confidential. Should you do so?**

No. Community Health Group and its employees may not disclose member or company information without proper authorization.

## 11. Protecting CHG's Assets

Community Health Group has a variety of assets, many of them of substantial value. They include but are not limited to physical things as well as proprietary information that may encompass intellectual property and confidential data. Protecting all these assets against loss, theft, and misuse is vitally important.

Each employee is responsible for protecting the CHG property entrusted to him or her and for helping to protect CHG assets in general. Should you observe any situation that could lead to the loss, misuse, or theft of CHG assets, you should report the situation to your supervisor or the Chief Corporate Counsel as soon as possible.

## Q&A

**You have access to CHG's revenue numbers. While having a conversation with you over evening drinks, your friend enquires about CHG's financial performance. You do not share detailed information with your friend, but share approximate revenue figures. Is this conduct of yours correct?**

No, it is not. You are not permitted to share financial information of our company with others who do not need to know this information. Financial information should always be safeguarded and disclosed only on a need-to-know basis after obtaining requisite approvals.

## 12. Competition and Fair Dealing

Community Health Group seeks to provide its services fairly and honestly. We seek competitive advantages through superior performance and service, never through unethical or illegal business practices. Theft or unauthorized use or disclosure of confidential or proprietary information, or the possession of trade secret information that was obtained without the owner's consent, is prohibited. Employees should endeavor to respect the rights of and deal fairly with CHG's members, providers, regulators, vendors, competitors, and personnel. No employees should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair-dealing practice.



## 13. Respect for our Members

Community Health Group Members deserve to be treated with respect and to experience the kind of customer service that each one of us expects from each other. Every encounter you have with a member is an opportunity to demonstrate magical customer service.

### Remember ...

The CHG Mission Statement: Community Health Group is dedicated to maintaining and improving the health of our members by providing access to quality care and offering exceptional service to diverse populations.

## 14. Respect for our Providers

Community Health Group is dedicated to providing our providers with excellent customer service. Every interaction with a provider should be conducted with professionalism and a willingness to assist the provider with his/her CHG needs.

## 15. Excluded Person or Entity

Community Health Group has a monitoring system to identify individuals and/or entities that have been excluded from participation in federal health care programs by the Department of Health and Human Services (DHHS), the Office of Inspector General (OIG), and/or the General Service Administration (GSA). Community Health Group will not employ or contract with a provider, supplier, employee, first tier or downstream entity that has been excluded.

## 16. Medical Decision Making

Community Health Group shall make appropriate clinical decisions by duly licensed and qualified medical professionals and shall not be improperly influenced by financial incentives.

## 17. Political Activity and Lobbying

Community Health Group employees are free to participate in and contribute to political organizations or campaigns. You must, however, do so as an individual on your own time and outside of working hours. You may not hold yourself out as a representative of CHG in any of these types of activities, nor may you get reimbursed by CHG for anything related to these activities.

Since CHG and CHG Foundation are tax-exempt, non-profit organizations, we must follow applicable guidelines of Internal Revenue Code Section 501(c). Internal Revenue Code Section 501(c)(3) states that “No substantial part of the activities of the corporation shall be carrying on of propaganda or otherwise attempting to influence legislation (lobbying)...and the corporation shall not participate in, or intervene in, any political campaign (including the publication or distribution of statements) on behalf of any candidate for public office.” We expect you to refrain from taking part in any activity that would jeopardize the tax-exempt status of CHG.

## 18. Reporting Non-Compliance

All CHG employees, board members, and first-tier, downstream, and related entities must report



compliance concerns and suspected or actual violations related to the Medicare program. If you believe that you or someone else may be in violation of this Code, you may submit your complaints, reports, or concerns, on a confidential or anonymous basis as follows:

1. Calling the toll-free Compliance Hotline 800-651-4459 (available 24 hours/day, 7 days/week);
2. Writing (including email) or orally notifying the Compliance Officer, your supervisor, or a Chief; or
3. Writing to the Company's Compliance Committee:

Compliance Committee  
Community Health Group  
2420 Fenton Street  
Chula Vista, CA 91914

To ensure confidentiality to all callers of the Compliance Hotline, calls to the hotline will not be traced. If callers choose to identify themselves, every reasonable effort will be made to protect their confidentiality.

Again, CHG forbids retaliation, and no action will be taken against you for asking in good faith about this Code, about activities in which you are considering engaging, or for reporting in good faith a perceived violation of this Code, even if it turns out that there was in fact no violation.

### Speak Up ...

If you are unsure whether a particular action you are about to take is consistent with the principles set forth in the Code, ask yourself:

- Could it directly or indirectly endanger someone or cause them injury?
- Is it illegal/unlawful or out of line with our policies and procedures?
- Does my conscience reject it? Does it conflict with my personal values?
- Would I feel uncomfortable if the story appeared in the media? Would it shame my company, spouse, partner, parent or child?
- Does it 'feel' wrong?

If the answer to any of these questions is "Yes", please stop and consult your supervisor, the Compliance Officer, the Chief Corporate Counsel, or the Human Resource department.

**When faced with a dilemma:** Stop, Think, Act Responsibly.

## 19. Waivers of the Code of Conduct

Any waiver of this Code (1) may be made only by CHG's CEO or Board of Directors, (2) must be in writing, and (3) will be promptly disclosed as required by law.

## 20. Where to Get More Information

If you do not understand or have any questions about any portion of this Code, contact the Compliance Officer or the Chief Corporate Counsel.