



## Code of Conduct & Business Ethics

Applicable to the following Medicare Advantage and Prescription Drug Plans\*:

Kansas Superior Select, Inc.  
Oklahoma Superior Select, Inc.  
American Health Plan of Utah, Inc.  
American Health Plan of Missouri, Inc.  
American Health Plan of Iowa, Inc.  
American Health Plan of Florida, Inc.  
American Health Plan of Texas, Inc.  
American Health Plan, Inc.  
Georgia Assurance, Inc.  
American Health Plan of Mississippi, Inc.

\*Any new Medicare Advantage and Prescription Drug Plan not included in the list above shall be included until added to the list at the next annual review and revision. Any Medicare Advantage and Prescription Drug Plan included in the list above that may be terminated shall no longer be included as of the effective date of termination until deleted from the list at the next annual review and revision.



As part of our ongoing efforts to improve the quality and value of health services to our Members, American Health Plans has implemented ongoing review of the quality of care and services delivered by American Health Plans employees and through our network of providers. As part of this, we strive to ensure an ethical approach to the management and delivery of specified health services. We must demonstrate consistently that we act with absolute integrity in the way we do our work.

This Code of Conduct & Business Ethics provides guidance to ensure that our work is done in an ethical and legal manner. It emphasizes a dedication to fostering an environment of honest and responsible behavior. It contains resources to help resolve any questions about appropriate conduct in the work place. Please review it thoroughly. Your adherence to its spirit, as well as its specific provisions, is absolutely critical to our future.

If you have questions regarding this Code of Conduct or come across any situation that you believe violates provisions of this Code of Conduct, you should immediately consult your supervisor, another member of American Health Plans management, or the American Health Plans Compliance Officer at (405) 404-6691. You may also call the hotline anonymously at (866) 205-2866. You have our personal assurance there will be no retribution for asking questions or raising concerns about the Code of Conduct and Business Ethics or for reporting possible improper conduct.

We are committed to the ideals reflected in this Code of Conduct. We are equally committed to assuring that our actions consistently reflect our words. To achieve this, we expect all of our colleagues' actions to reflect the high standards set forth in this Code of Conduct. However, no written code of conduct can substitute for our own internal sense of fairness, honesty, and integrity. If you run into a situation or are considering a course of action which may be technically within the guidelines of this Code of Conduct, but are concerned that the contemplated action simply "does not feel right," please discuss the situation with any of the resources listed in this document.

In closing, we trust you as a valuable member of our team. We ask you to assist us in supporting the values and principles that are critical to American Health Plans' continued success.

Sincerely,

Mike Bailey  
Chief Executive Officer

## Table of Contents

Purpose of our Code of Conduct	4
Leadership Responsibilities	5
Fundamental Commitment to Stakeholders	5
Relationship with our Members	6
Quality Improvement	6
Regulatory Compliance	7
Dealing with Accrediting Bodies	8
Business Information and Information Systems	8
Workplace Conduct and Employment Practices	10
Marketing Practices	13
Business Courtesies	14
Compliance Program	14
Acknowledgement Process	16
Questions and Answers	16
Acknowledgement Form	20

## 1. Purpose of Our Code of Conduct

Our mission is to connect our membership, through a fair, ethical and compliant environment, with coordinated healthcare delivered by professionals in the most appropriate setting possible.

The American Health Plans Code of Conduct has been developed to implement our philosophy of creating and maintaining an ethical environment while maintaining compliance with all applicable laws and regulatory mandates. Our Code of Conduct provides guidance to all employees and assists us in carrying out our daily activities within appropriate ethical and legal standards. These obligations apply to our relationships with members, employer groups, affiliated physicians, subcontractors, independent contractors, vendors, and consultants.

The Code of Conduct is a critical component of our overall Compliance Program. We have developed the Code of Conduct to ensure that we meet our ethical standards and comply with applicable laws, regulations and contractual obligations.

The Code of Conduct is intended to achieve three key objectives:

- To communicate facts about how we work for the benefit of members.
- To make it clear that we are responsive to the concerns of members, physicians and other healthcare professionals.
- To provide a platform to demonstrate our commitment to high levels of accountability.

It is not possible to anticipate every decision or action that you may face or consider. Whenever you have any doubt about the right ethical or legal choice to make, fully disclose the circumstances, and seek guidance from a responsible manager or supervisor, the American Health Plans' Compliance Officer, Chief Operations Officer, or Chief Executive Officer about the right thing to do.

It is American Health Plans' policy to encourage the communication of bona fide concerns relating to the lawful and ethical conduct of business and to protect those who communicate these concerns from retaliation for such reporting. Retaliation includes any activity that would dissuade an employee from reporting a concern.

**No retaliation for good faith reporting will be tolerated; punishment for retaliation includes sanctions up to and including termination.**

Confidential and anonymous mechanisms for reporting concerns are available and are described in this Code of Conduct. Anonymous reporting does not satisfy a duty to disclose your potential involvement in a conflict of interest or unethical or illegal conduct.

We expect all employees, officers and directors to exercise good judgment and the highest ethical standards in their activities on behalf of American Health Plans as well as

in their private activities. Failure to follow this Code of Conduct, as well as to comply with federal, state, local and foreign laws, rules, and regulations, and American Health Plans' corporate policies and procedures may result in termination of employment or termination of the governance board service.

## **2. Leadership Responsibilities**

While all American Health Plans employees are obligated to follow this Code of Conduct, we expect our leaders to set the example, to be in every respect a model. They must ensure that those on their team have sufficient information to comply with applicable laws, regulations, and policies, as well as the resources to resolve ethical dilemmas. They must help to create a culture within our company that promotes the highest standards of ethics and compliance. This culture must encourage everyone in the organization to express concerns when they arise. We must never sacrifice ethical and compliant behavior in the pursuit of business objectives.

## **3. Fundamental Commitment to Stakeholders**

We affirm the following commitments to American Health Plans stakeholders:

***To our Members:*** Quality, cost effective, and appropriate health care through a network of credentialed health care providers, customer service units to assist members and a complaint, grievance and appeal process for timely problem resolution.

***To our employees:*** A work setting which treats everyone with fairness, dignity, and respect. It affords them an opportunity to develop professionally and to work in a team environment in which all ideas are considered.

***To our affiliated providers:*** Demonstrate our commitment to contractual obligations and reflects our shared concern for delivering quality health services and bringing efficiency and cost-effectiveness to healthcare.

***To our regulators:*** An environment in which compliance with rules, regulations, and sound business practices is woven into the corporate culture. We accept the responsibility to aggressively self-govern and monitor adherence to the requirements of law and to our Code of Conduct.

***To the communities we serve:*** Understanding the particular needs and providing these communities quality, cost-effective health services. We realize as an organization that we have a responsibility to help those in need. We proudly support charitable contributions and events in the communities we serve in an effort to promote good will and further good causes.

***To our contracted business partners:*** Fair competition and the sense of responsibility required in a sound business relationship. We are dedicated to dealing with our business partners in a way that demonstrates our commitment to contractual obligations and reflects our shared concern for delivering quality services and bringing efficiency and cost-effectiveness to healthcare.

## **4. Relationship with Our Members**

### ***Member Information***

We believe information is central to maintaining and improving one's health; accordingly, we have pledged to ensure that each member has:

- The right to timely and effective right of appeals and grievances.
- The right to health maintenance literature and material about our managed care organization and its services, practitioners and providers for his or her use, written in a manner which truthfully and accurately provides relevant information so that it is easily understood by an average layperson.
- The right to be treated with respect and recognition of his or her dignity and right to privacy.
- The right to obtain from his or her plan physician, unless it is not medically advisable, current information concerning his or her diagnosis, treatment and prognosis in terms he or she can reasonably be expected to understand.
- The right to be given the name, professional status, and function of any personnel providing health services to him or her.
- The right to give his or her informed consent to the health care practitioner before the start of any procedure or treatment.
- The right to a candid discussion of appropriate or medically necessary treatment options for his or her condition regardless of cost or benefit coverage.
- The right to participate with practitioners in decision making regarding his or her health care.
- The right to be advised if a health care facility or any of the providers participating in his or her care propose to engage in or perform human experimentation or research affecting his or her care or treatment. A legally responsible party on his or her behalf may, at any time, refuse to participate in or to continue in any experimentation or research program for which he or she has previously given an informed consent.
- The right to refuse any drugs, treatment or other procedure offered by the provider to the extent permitted by law and to be informed by a physician of the medical consequence of the member's refusal of any drugs, treatment or procedure.
- The right to have all records pertaining to his or her medical care treated as confidential unless disclosure is necessary to interpret the application of his or her contract to his or her care or unless disclosure is otherwise provided for by law.
- The right to all information contained in his or her medical record unless access is specifically restricted by the attending physician for medical reasons.
- When emergency services are necessary, a member has the right to obtain such services without unnecessary delay.
- The right to be informed of these rights.

## **6. Quality Improvement**

### ***Quality Assessment and Improvement Programs***

We are committed to maintaining physician-directed quality assessment and improvement programs that monitor targeted areas to detect whether patterns of underservice or over service exist; and, if so, to implement appropriate actions in order to

promote access to the right care at the right time in the right setting.

All participating physicians are credentialed initially and are periodically re-credentialed.

### ***Practice Guidelines***

We involve participating physicians in the development and recognition of those medical practices that have proven most beneficial to patients/ members.

### ***Medical Management***

Medical management includes precertification, concurrent review and discharge planning. We rely on a coordinated team working together in determining and authorizing the effectiveness and appropriateness of recommended patient/member care.

We are committed to having a review process, directed by experienced clinicians, available for cases in which a participating physician believes that a medical management determination does not adequately account for the unique characteristics of a particular member, based on relevant medical evidence offered by the participating physician for review.

### ***Prescription Drug Formularies***

We pledge to maintain physician involvement in the management and review of lists of covered prescriptions.

## **7. Regulatory Compliance**

American Health Plans provides various services pursuant to appropriate federal, state, and local laws and regulations. Such laws and regulations may include subjects such as licenses, accreditation, and access to treatment, continuity of care, access to records, confidentiality, members' rights, terminal care decision-making, credentialing and clinical privileges, and Medicare regulations. The organization is subject to numerous other laws in addition to these healthcare regulations. We will comply with all applicable laws and regulations. All employees, privileged practitioners, and contract service providers must be knowledgeable about and ensure compliance with all laws and regulations, and should immediately report violations or suspected violations to a supervisor or member of management, the American Health Plans Compliance Officer, or the toll-free Compliance Hotline at (866) 205-2866.

We will be forthright in dealing with any regulatory or contractual inquiries. Requests for information will be answered with complete, factual, and accurate information. We will cooperate with and be courteous to all government inspectors and provide them with the information to which they are entitled during an inspection.

During a government inspection, you must never conceal, destroy, or alter any documents, lie, or make misleading statements to the government representative. You should not attempt to cause another employee to fail to provide accurate information or obstruct, mislead, or delay the communication of information or records.

In order to ensure that we fully meet all regulatory obligations, our employees must be informed about stated areas of potential compliance concern.

We will provide our employees with the information and education they need to comply fully with all applicable laws and regulations.

## **8. Dealing with Accrediting Bodies**

We will deal with all accrediting bodies in a direct, open and honest manner. No action should ever be taken in relationships with accrediting bodies that would mislead the accreditor or its survey teams, either directly or indirectly.

The scope of matters related to accreditation of various bodies is extremely significant and broader than the scope of this Code of Conduct. The purpose of our Code of Conduct is to provide general guidance on subjects of wide interest within the organization. Accrediting bodies may be focused on issues both of wide and somewhat more focused interest. In any case, where American Health Plans determines to seek any form of accreditation, obviously all standards of the accrediting group are important and must be followed.

## **9. Business Information and Information Systems**

### ***Accuracy, Retention, and Disposal of Documents and Records***

You are responsible for the integrity and accuracy of our organization's documents and records, not only to comply with regulatory and legal requirements but also to ensure that records are available to defend our business practices and actions. No one may alter or falsify information on any record or document.

Business documents and records are retained in accordance with the law and our business documents policy. Business documents include paper documents such as letters and memos, claims, enrollment applications, computer based information such as email or computer files on disk or tape, and any other medium that contains information about the organization or its business activities. It is important to retain and destroy records appropriately according to our policy. You must not tamper with records, nor remove or destroy them prior to the specified date.

### ***Confidential Information***

Confidential information about our organization's strategies and operations is a valuable asset. Although you may use confidential information to perform your job, it must not be shared with others outside of American Health Plans or your department unless the individuals have a legitimate need to know this information and have agreed to maintain the confidentiality of the information. Confidential information includes personnel data maintained by the organization, member lists and clinical information, pricing and cost data, information pertaining to acquisitions, divestitures, affiliations and mergers, financial data, research data, strategic plans, marketing strategies, techniques, employee lists and data maintained by the organization, supplier and subcontractor information, and proprietary computer software.



## ***Electronic Media***

All communications systems, electronic mail, Intranet, Internet access, or voice mail are the property of the organization and are to be primarily used for business purposes. Limited reasonable personal use of company communications systems is permitted; however, you should assume that these communications are not private. Member or confidential information should not be made available on-line or sent through the Internet until such time that its confidentiality can be assured.

We reserve the right to periodically access, monitor, and disclose the contents of the intranet, e-mail, and voice mail messages. Access and disclosure of individual employee messages may only be done with the approval of senior management after receiving appropriate legal guidance. Employees may not use internal communication channels or access to the Internet at work to post, store, transmit, download, or distribute any threatening; knowingly, recklessly, or maliciously false; or obscene materials including anything constituting or encouraging a criminal offense, giving rise to civil liability, or otherwise violating any laws. Additionally, these channels of communication may not be used to send chain letters, personal broadcast messages, or copy- righted documents that are not authorized for reproduction.

Employees who abuse our communications systems or use them excessively for non-business purposes may lose these privileges and be subject to disciplinary action.

## ***Financial Reporting and Records***

We have established and maintained a high standard of accuracy and completeness in the documentation and reporting of all financial records. These records serve as a basis for managing our business and are necessary for compliance with tax and financial reporting requirements.

All financial information must reflect actual transactions and conform to generally accepted insurance accounting principles. No undisclosed or unrecorded funds or assets may be established. We maintain a system of internal controls to provide reasonable assurances that all transactions are executed in accordance with management's authorization and are recorded in a proper manner so as to maintain accountability of the organization's assets.

## **10. Workplace Conduct and Employment Practices**

### ***Conflict of Interest***

A conflict of interest may occur if your outside activities or personal interests influence your ability to make objective decisions in the course of your job responsibilities. A conflict of interest may also exist if the demands of any outside activities hinder or distract you from the performance of your job or cause you to use company resources for other than official purposes. It is your obligation to ensure that you remain free of conflicts of interest in the performance of your responsibilities at American Health Plans. If you have any question about whether an outside activity might constitute a conflict of interest, you must obtain the approval of your supervisor before pursuing the activity.

Examples of conflict of interest may include, but is not limited to, when an employee, officer or director, or member of his or her family:

- Solicits or accepts, directly or indirectly, from customers, suppliers or others dealing with American Health Plans, any kind of gift or other personal, unearned benefits as a result of his or her position (other than non-monetary items of nominal intrinsic value)
- Has a financial interest in the American Health Plans' competitors, customers, suppliers or others dealing with American Health Plans (excluding interests that are less than 1% of the outstanding securities of a publicly-traded corporation or equivalent percentage of ownership interests in an unincorporated business)
- Has a consulting, managerial or employment relationship in any capacity with a competitor, customer, supplier or others dealing with American Health Plans
- Acquires, directly or indirectly, real property, leaseholds, patents or other property or rights in which American Health Plans has, or the employee, officer or directors knows or has reason to believe at the time of acquisition that American Health Plans is likely to have an interest.

Subject to limitations imposed by this Code of Conduct, you are free to engage in outside activities that do not interfere with the performance of your responsibilities or otherwise conflict with American Health Plans' interests. Outside business activities can easily create conflicts of interest or diminish productivity and effectiveness. Though we encourage professional activities and community involvement, special care must be taken not to compromise duties owed to American Health Plans

The appearance of influence is an issue as well as actual influence. Appropriate measures should be taken to address any appearance of a conflict.

You are expected to disclose to the American Health Plans Compliance Officer any non-American Health Plans activity for which compensation is received from any source related to American Health Plans' business activities. You must notify the American Health Plans Compliance Officer if you or a family member are

- asked to serve on the board of directors or similar body of a for-profit enterprise or government agency
- seeking any election or appointment to public office in order to clarify our position in the event the candidacy is successful or the appointment is made
- Engaging in activities that may be of a controversial or sensitive nature. Employees, directors and officers and/or members of their families may not engage in any of the following:
  - Soliciting contributions or other support from fellow employees, or distribute non-work-related material to fellow employees, during working hours or in areas where work is being performed (except as allowed by applicable laws, or a fund-raising or similar effort on behalf of a charity; even in these allowable activities, no one should ever be made to feel compelled to participate.)
  - Requesting, accepting or offering any form of "under-the-table" payment, "kickback", bribe, rebate or other improper or questionable payment or gratuity in connection with any corporate expenditure or sale of goods or services.

- Accepting loans or guarantees of obligations (except from banks of other entities that provide such services in the normal course and at arms' length) from any individual, organization or entity doing or seeking to do business with American Health Plans
- Using his or her American Health Plans position or title or any company equipment, supplies or facilities in connection with outside activities
- Doing anything that might infer sponsorship or support by American Health Plans of such activity, unless such use has been approved in writing by the American Health Plans Compliance Officer, or other appropriate internal authority

If approached with any offer noted above or in any instance where the appearance of a conflict of interest exists, you must contact a responsible supervisor or the American Health Plans Compliance Officer or any other appropriate internal authority immediately. Finally, for any real or perceived conflict of interest involving a director of American Health Plans, the matter should be referred to the American Health Plans Compliance Officer for interpretation and discussion with the Board of Directors or with the Committee to which such responsibility has been delegated for resolution.

Annually or upon written request, directors shall disclose to the American Health Plans Compliance Officer service on a board of directors or similar body of a for-profit enterprise or government agency

### ***Diversity and Equal Employment Opportunity***

Our employees provide us with a wide complement of talents that contribute greatly to our success. We are committed to providing an equal opportunity work environment where everyone is treated with fairness, dignity, and respect. We will comply with all laws, regulations, and policies related to nondiscrimination in all of our personnel actions. Such actions include hiring, staff reductions, transfers, terminations, evaluations, recruiting, compensation, corrective action, discipline, and promotions.

No one shall discriminate against any individual with a disability with respect to any offer, or term or condition, of employment. We will make reasonable accommodations to the known physical and mental limitations of otherwise qualified individuals with disabilities.

### ***Harassment and Workplace Violence***

Our employees have the right to work in an environment free of harassment. We will not tolerate harassment by anyone based on the diverse characteristics or cultural backgrounds of those who work with us. Degrading or humiliating jokes, slurs, intimidation, or other harassing conduct is not acceptable in our workplace or outside the workplace with a fellow employee.

Any form of sexual harassment is strictly prohibited. This prohibition includes unwelcome sexual advances or requests for sexual favors in conjunction with employment decisions. Moreover, verbal or physical conduct of a sexual nature that interferes with an individual's work performance or creates an intimidating, hostile, or offensive work environment has no place at American Health Plans.

Harassment also includes incidents of workplace violence. Workplace violence includes robbery and other commercial crimes, stalking cases, violence directed at the employer, terrorism, and hate crimes committed by current or former employees. As part of our commitment to a safe workplace for our employees, we prohibit employees from possessing firearms, other weapons, explosive devices, or other dangerous materials on American Health Plans premises. Employees who observe or experience any form of harassment or violence should report the incident to their supervisor, a member of management, the American Health Plans Compliance Officer, or anonymously via the toll-free Compliance Hotline at (866) 205-2866.

### ***Cyber/Social Harassment***

Today's automated world brings new risks to employees and their organizations. The same rules apply to cyber or social harassment as apply in the paragraphs above. American Health Plans takes your safety seriously and you should immediately report any suspected cyber-stalking, cyber-bullying, or other electronic forms of harassment by a fellow employee or one of our business associates.

### ***License and Certification Renewals***

Employees and individuals retained as independent contractors in positions which require professional licenses, certifications, or other credentials are responsible for maintaining the current status of their credentials and shall comply at all times with Federal and state requirements applicable to their respective disciplines. To assure compliance, American Health Plans may require evidence of the individual having a current license or credential status.

We will not allow any employee or independent contractor to work without valid, current licenses or credentials.

### ***Personal Use of Company Resources***

It is the responsibility of each employee to preserve our organization's assets including time, materials, supplies, equipment, and information. Organization assets are to be maintained for business related purposes. As a general rule, the personal use of any company asset without the prior approval of your supervisor is prohibited. The occasional use of items, such as copying facilities or telephones, where the cost to the company is insignificant, is permissible. Any community or charitable use of organization resources must be approved in advance by your supervisor. Any use of organization resources for personal financial gain unrelated to American Health Plans' business is prohibited.

### ***Relationships among American Health Plans Employees***

In the normal day-to-day functions of an organization like American Health Plans, there are issues that arise which relate to how people in the organization deal with one another. It is impossible to foresee all of these, and many do not require explicit treatment in a document like this. A few routinely arise, however. One involves gift giving among employees for certain occasions. While we wish to avoid any strict rules, no one should

ever feel compelled to give a gift to anyone, and any gifts offered or received should be appropriate to the circumstances. A lavish gift to anyone in a supervisory role would clearly violate organization policy.

### ***Relationships with Subcontractors, Suppliers, and Consultants***

We must manage our subcontractor and supplier relationships in a fair and reasonable manner, consistent with all applicable laws and good business practices. We promote competitive procurement to the maximum extent practicable. Our selection of subcontractors, suppliers, and vendors will be made on the basis of objective criteria including quality, technical excellence, price, and delivery, adherence to schedules, service, and maintenance of adequate sources of supply. Our purchasing decisions will be made on the supplier's ability to meet our needs, and not on personal relationships and friendships. We will always employ the highest ethical standards in business practices in source selection, negotiation, determination of contract awards, and the administration of all purchasing activities. We will not communicate to third-party entities confidential information given to us by our suppliers unless directed in writing to do so by the supplier. We will not disclose contract pricing and information to any outside parties.

### ***Substance Abuse and Mental Acuity***

To protect the interests of our employees and members, we are committed to an alcohol and drug-free work environment. All employees must report for work and remain free of the influence of alcohol and illegal drugs. Reporting to work under the influence of any illegal drug or alcohol, having an illegal drug in your system, or using, possessing, or selling illegal drugs while on American Health Plans work time or property may result in immediate termination.

It is also recognized that individuals may be taking prescription drugs, which could impair judgment or other skills required in job performance. If you have questions about the effect of such medication on your performance, consult with your supervisor.

## **11. Marketing Practices**

### ***Antitrust***

Antitrust laws are designed to create a level playing field in the marketplace and to promote fair competition. Discussing American Health Plans business with a competitor could violate these laws, such as how our prices are set or disclosing the terms of business partner relationships. Our competitors are other health insurers in markets where we operate.

At trade association meetings, be alert to potential situations where it may not be appropriate for you to participate in discussions regarding prohibited subjects with our competitors. Prohibited subjects include any aspect of pricing, our services in the market, key factors such as labor costs, and marketing plans. If a competitor raises a prohibited subject, end the conversation immediately. Document your refusal to participate in the conversation by requesting that your objection be reflected in the meeting minutes and notify the American Health Plans Compliance Officer of the incident.

In general, avoid discussing sensitive topics with competitors or suppliers, unless you are proceeding with the approval of senior management. You must also not provide any information in response to oral or written inquiry concerning an antitrust matter without first consulting the American Health Plans Compliance Officer.

### ***Gathering Information about Competitors***

It is not unusual to obtain information about other organizations, including our competitors, through legal and ethical means such as public documents, public presentations, journal and magazine articles, and other published and spoken information. However, it is not acceptable for you to obtain proprietary or confidential information about a competitor through illegal means. It is also not acceptable to seek proprietary or confidential information when doing so would require anyone to violate a contractual agreement, such as a confidentiality agreement with a prior employer.

### ***Marketing and Advertising***

We may use marketing and advertising activities to educate the public, provide information to the community, increase awareness of our services, and to recruit employees. We will present only truthful, fully informative, and non-deceptive information in these materials and announcements. These activities must meet the requirements established by CMS Medicare Managed Care Manual and/or Prescription Drug Benefit Manual.

## **12. Business Courtesies**

### ***General***

Nothing in this part of the Code of Conduct should be considered in any way as an encouragement to make, solicit, or receive any type of entertainment or gift. For clarity purposes, please note that these limitations govern activities with those outside of American Health Plans. This section does not pertain to actions between the organization and its employees nor actions among employees themselves.

### ***Receiving Business Courtesies***

We recognize that there will be times when you may wish to accept from a current or potential business associate an invitation to attend a social event in order to further develop your business relationship. The cost associated with such an event must be reasonable and appropriate and it must be made clear to the business associate that attendance does not commit American Health Plans to do business with that company.

Sometimes a business associate will extend training and educational opportunities that include travel and overnight accommodations to you at no cost to you or American Health Plans. Similarly, there are some circumstances where you are invited to an event at a vendor's expense to receive information about new products or services. Prior to accepting any such invitation, you must receive approval to do so consistent with our organization's policy on this subject.

As a American Health Plans employee, you may accept gifts of nominal value from any

individual or organization who has a business relationship with American Health Plans. Check with the American Health Plans Compliance Officer, Chief Operations Officer or Chief Executive Officer if you are uncertain as to the appropriateness of an offered gift.

Perishable or consumable gifts given to a department or group are not subject to any specific limitation.

**You may never accept cash or cash equivalents, such as gift certificates. Finally, under no circumstances may you solicit a gift.**

### **13. American Health Plans' Compliance Program**

#### ***Program Structure***

The American Health Plans Compliance Program is intended to demonstrate in the clearest possible terms the absolute commitment of the organization to the highest standards of ethics and compliance. That commitment permeates all levels of the organization. There is oversight via the Board of the Directors; a American Health Plans Compliance Officer who serves as liaison to the Chief Executive Officer and the Board of Directors; and a Compliance Committee consisting of senior management. A list of the current Compliance Program representatives is available to all employees requesting a hard copy of the list by contacting the American Health Plans Compliance Officer. All of these individuals or groups are prepared to support you in meeting the standards set forth in this Code of Conduct.

#### ***Resources for Guidance and Reporting Violations***

To obtain guidance on an ethics or compliance issue or to report a suspected violation, you may choose from several options. We encourage the resolution of issues at a departmental level whenever possible. It is an expected good practice, when you are comfortable with it and think it appropriate under the circumstances, to raise concerns first with your supervisor. If this is uncomfortable or inappropriate, another option is to discuss the situation with another member of management or by contacting the American Health Plans Compliance Officer. You are always free to contact the toll-free Compliance Hotline at (866) 205-2866.

We will make every effort to maintain, within the limits of the law, the confidentiality of the identity of any individual who reports possible misconduct. There will be no retribution or discipline for anyone who reports a possible violation in good faith. Any employee who deliberately makes a false accusation with the purpose of harming or retaliating against another employee will be subject to discipline.

#### ***Personal Obligation to Report***

We are committed to ethical and legal conduct that is compliant with all relevant laws and regulations and to correcting wrongdoing wherever it may occur in the organization. Each employee has an individual responsibility for reporting activity by any employee, physician, subcontractor or vendor that appears to violate applicable laws, rules,

regulations, or this Code of Conduct.

### ***Internal Investigations of Reports***

We are committed to investigate all reported concerns promptly and confidentially to the extent possible. The American Health Plans Compliance Officer will work with the appropriate staff to coordinate any findings from the investigations and immediately recommend corrective action or changes that needs to be made. We expect all employees to cooperate with investigation efforts.

### ***Corrective Action***

Where an internal investigation substantiates a reported violation, it is the policy of the organization to initiate corrective action, including, as appropriate, making prompt restitution of any overpayment amounts, notifying the appropriate governmental agency, instituting whatever disciplinary action is necessary, and implementing systemic changes to prevent a similar violation from recurring in the future.

### ***Discipline***

All violators of the Code of Conduct will be subject to disciplinary action. The precise discipline utilized will depend on the nature, severity, and frequency of the violation and may result in any of the following disciplinary actions:

- Verbal warning (which will be documented for historical purposes)
- Written warning
- Written reprimand
- Suspension
- Termination

**It should be noted that the steps listed above are not necessarily a sequential process. Any step(s) can be skipped based on the severity of the violation.**

### ***Internal Audit and Other Monitoring***

We are committed to the aggressive monitoring of compliance with our policies. Much of this monitoring effort is achieved by internal audits of issues that have regulatory or compliance implications. The organization also routinely seeks other means of ensuring and demonstrating compliance with laws, regulations, and company policy.

## **14. Acknowledgment Process**

We require all employees to sign an acknowledgment confirming they have received the Code of Conduct and understand that it represents mandatory policies of American Health Plans New employees will be required to sign this acknowledgment as a condition of employment.

After reviewing carefully this Code of Conduct, each director, officer, employee or contractor must sign the acknowledgment on the last page of this document. Please print the acknowledgment page and return it to the American Health Plans Compliance



Officer.

Adherence to and support of American Health Plans' Code of Conduct and participation in related activities and training will be considered in decisions regarding hiring, promotion, and compensation for all candidates and employees.

## **15. Frequently Asked Questions**

The Code of Conduct is not intended to provide answers to every question that you may have about our policies, laws, or regulations. The following questions and answers are intended to increase your understanding of how the specific guidelines must be applied.

### ***The Compliance Program***

***If I have a question about workplace conduct or saw something that I thought was wrong, whom should I contact?*** We have provided several resources for you to turn to with such concerns. We encourage you to talk to your supervisor first. However, if for any reason you do not feel comfortable talking to your supervisor or if your supervisor did not answer the question or address the problem to your satisfaction, you do have other options. You may wish to speak with someone else in management, contact the American Health Plans Compliance Officer, or call the toll-free Compliance Hotline at (866) 205-2866. We encourage all employees to try to resolve matters locally when possible and appropriate.

***If I report something suspicious, will I get in trouble if my suspicion turns out to be wrong?*** As long as you honestly have a concern, our policy prohibits your being reprimanded or disciplined. As a American Health Plans employee, you have a responsibility to report suspected problems. In fact, employees may be subject to discipline if they witness something but do not report it to American Health Plans. The only time someone will be disciplined for reporting misconduct is if he or she knowingly and intentionally reports something that he or she knows to be false or misleading in order to harm someone else or American Health Plans.

***What should I do if my supervisor asks me to do something that I think violates the Code of Conduct, American Health Plans policy, or is illegal?*** Don't do it. No matter who asks you to do something, if you know it is wrong, you must refuse to do it. You must also immediately report the request to a level of management above your supervisor or to the hotline.

### ***Ethical Behavior Generally***

***How do I know if I am on ethical "thin ice?"*** If you are worried about whether your actions will be discovered, if you feel a sense of uneasiness about what you are doing, or if you are rationalizing your activities on any basis (such as perhaps the belief that "everyone does it"), you are probably on ethical "thin ice." Stop, step back, consider what you are doing, get advice, and redirect your actions to where you know you are doing the right thing.

### ***Accuracy, Retention, and Disposal of Documents***

***In preparation for an accreditation visit, my supervisor has asked me to review documents and to fill in any missing signatures. May I do this?***

No. It is absolutely wrong to sign another individual's name on official business documents such as policies or minutes. It is part of our basic integrity obligation to provide only complete and fully accurate information to accrediting groups.

### ***Business Courtesies***

***A member with a chronic health condition is assisted by a case management nurse on a routine basis. The member routinely tips his "primary" nurse around \$100. May the nurse accept it?*** No. Cash gifts must never be accepted from anyone with whom we have a business relationship.

***May I accept a basket of fruit or flowers that a member sent?*** Yes. Gifts to an entire department may be accepted if they are consumable or perishable.

### ***Conflicts of Interest***

***I am planning a dinner meeting for our department. My daughter owns a catering service in town. May I pick her catering service if the prices are comparable to other restaurants?*** As described on page 13 of this Code of Conduct, purchases must be based on the supplier's ability to meet our needs and fair market value must be considered. You should check with the American Health Plans Compliance Officer, Chief Operations Officer or Chief Executive Officer if you are uncertain on whether there is a conflict in a specific purchasing event.

***Do the conflict of interest policies apply to distant relatives, such as cousins or in-laws or friends?*** The conflict of interest policies generally apply to members of your immediate family. However, if any relationship could influence your objectivity or create the appearance of impropriety, you must apply the policies.

***Member Information: We live in a small town, and most of the community knows each other. My neighbor works in the human resources department of a local employer. He some- times requests employee member or dependent information such as primary care provider names or social security numbers. Is the employer allowed to do this?*** No. Access to and release of this type of information without the member's authorization is prohibited. We are responsible for protecting the confidentiality of member information from interested third parties as well as our staff. Members are entitled to expect confidentiality, the protection of their privacy, and the release of information only to authorized parties.

### ***Personal Use of Organization Resources***

***Can I type my spouse's resume on my computer?*** If you use the computer during non-working hours, you may be permitted to type personal documents. Organization equipment, however, must not be used for non-business purposes without prior approval from your supervisor.

***I volunteer for Big Brothers. May I copy a fundraising leaflet?*** We encourage all employees to participate in volunteer activities. Organization equipment, however, must not be used for charitable purposes without prior approval from your supervisor.

**ACKNOWLEDGMENT: AMERICAN HEALTH PLANS CODE OF CONDUCT AND BUSINESS ETHICS**

**I hereby acknowledge that I have read, understand, and will comply with the provisions of the American Health Plans Code of Conduct and Business Ethics.**

**I will seek guidance from and raise concerns about possible violations of this Code of Conduct with, my supervisor, senior management or through the toll-free Compliance Hotline.**

**I will attend all required training provided by American Health Plans throughout the course of the year.**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**