

## *Employee Code of Ethical Business Conduct*

The Board of Directors (the "Board") of Community Health Group (the "Organization") has adopted the following Code of Business Conduct and Ethics (the "Code ") for employees of the Organization. This Code is intended to focus the Board and each employee on areas of ethical risk, provide guidance to employees to help them recognize and deal with ethical and compliance issues, provide mechanisms to report unethical, non-compliant, and illegal conduct, and help foster a culture of honesty and accountability. Each employee must comply with the letter and spirit of this Code.

No code or policy can anticipate every situation that may arise. Accordingly, this Code is intended to serve as a source of guiding principles for employees. Employees are encouraged to bring questions about particular circumstances that may implicate any provision of this Code to the attention of the Compliance Officer, who may consult with legal counsel as appropriate.

### **Introduction to Code of Conduct**

CHG's Code of Conduct (Code) described in this employee handbook is intended to provide general ethical conduct standards to follow and assist CHG in meeting its compliance goals. The Code is intended to complement, but not replace existing policies and procedures found in CHG's Personnel Policies and Procedures Manual. If there is no existing policy on a particular subject matter, this Code shall become the applicable policy. Any questions regarding the Code should be directed to the Compliance Officer.

The Code, as well as the statutes, regulations, contractual obligations and CHG policies and procedures, must be supported by all employees, contractors, the Board of Directors and anyone else engaged in our work environment or acting on behalf of the Organization. No one, regardless of position, will be allowed to compromise adherence to the Code, statutes, regulations, contractual obligations, professional ethical standards, policies and procedures.

When seeking additional guidance and direction concerning operational policies and procedures, employees are encouraged to refer to CHG policies, or contact any member of the management team or the Human Resources Department.

The Code was designed to serve several purposes:

- To assure that all employees in the work environment share in the responsibility of keeping CHG compliant with all applicable laws, regulations, policies, procedures, medical and business practices;
- To communicate the commitment of CHG's management to compliance with laws, regulations, contractual obligations and business standards of conduct; and To familiarize all employees, contractors, the Board of Directors, and anyone else engaged in

our work environment or acting on behalf of the Organization with the basic legal principles and ethical standards of behavior expected throughout this Organization.

- To ensure that issues of noncompliance and potential fraud and abuse are reported through appropriate mechanisms and that reported issues are addressed and corrected.

The Code is a “living document” that will be updated periodically to respond to changing conditions. Therefore, CHG reserves the right to modify the Code at any time.

## **Introduction to Compliance**

This Code describes longstanding policies and guidelines that CHG follows to ensure its business is conducted with integrity and in compliance with applicable governmental laws, rules and regulations. Every director and employee is expected to understand and follow the policies and guidelines outlined.

Violating the law could subject CHG and the individuals involved to civil and criminal liability, regulatory action and private lawsuits. Any employee who violates the policies and guidelines in this Code will be subject to disciplinary action, up to and including termination of employment.

For CHG, violating the law can result in substantial fines and disqualification from participation in federal healthcare programs.

## **Compliance Officer**

CHG has appointed a Compliance Officer who is responsible for daily oversight of the Compliance program. Some responsibilities of the Compliance Officer include:

- Establishing and maintaining the Code and compliance policies and procedures, and monitoring the operation of the employee Compliance Hotline;
- Receiving, investigating, and resolving problems, concerns, questions and issues raised by members, employees or others related to the compliance program, including potential violations of the Code of Conduct, policies and procedures, laws and regulations;
  - Establishing auditing and monitoring mechanisms to ensure compliance with the requirements of Medi-Cal, Medicare Part C and Part D, HIPAA, and other applicable laws; and
- Providing oversight of an ongoing compliance education program for all employees to ensure understanding and compliance with CHG’s mission and policies and procedures.

## **Responsibilities of Employees**

All employees are expected to follow the Code, CHG’s policies and procedures, as well as laws and regulations. Anyone with knowledge of a violation must report such violation. Failure to

report a known violation may subject an employee to disciplinary action even if the employee was not involved in the violation itself.

When considering reporting a perceived violation an employee should determine:

- a. What are the facts?
- b. Is the perceived action inconsistent with CHG's values as defined by its mission, vision, and the Code?
- c. Does the perceived action violate Standards of Conduct set out in the Code?
- d. Does the perceived action violate any known law, rule, regulation, or policy and procedure?

If an employee has any questions or wishes to report a problem, that employee should talk to a supervisor or other member of the management team, and/or speak to the Human Resources Department. If the problem cannot be resolved through normal communication channels, or, for any other reason, the employee does not wish to use these channels; the problem should be reported to the Compliance Officer, or to the Compliance Hotline, (800) 651-4459. A report can be made to that Hotline on an anonymous basis.

### **Respect Is a Two-way Street**

Treating others with fairness and courtesy is the best way to get the respect we need and deserve.

- Remember the golden Rule....treating others the way you would like to be treated.
- Two wrongs don't make it right....if someone shows disrespect, it only makes things worse if we respond with disrespect.
- Understand the other person....the "walking a mile in their shoes" idea.
- Communicating....listen carefully, share your thoughts in a positive way, avoid negativity, "blaming language."
- Respecting boundaries....being sensitive to subtle signs and signals.
- Avoiding public embarrassment....if discussing a person's problems or mistakes, find a quiet, private place to talk.
- Taking time out....sometimes a situation "heats up." Step back and take a breather to cool down before you or the other person say something hurtful.
- Avoiding abusive language or behavior....some things cannot be tolerated: racism, sexism, intimidation, hostility, harassment, statements made to provoke another person.
- Getting help....before a disagreement or problem blows up into bigger, more complex issues, get help from a supervisor, manager, Human Resources Department, or call the Compliance Hotline.
- Taking care of you....respect yourself. If you are feeling mistreated or misunderstood, or disrespected, talk about it. Ask for help as soon as you feel you need it.

### **Non-retaliation Policy**

CHG's management team is responsible for the creation of a work environment in which employee concerns can be raised and openly discussed and resolved. No disciplinary action or other form of retaliation or revenge shall be taken against any person who reports a perceived issue, problem, concern or violation to supervisors, management, Human Resources Department, the Compliance Officer, the Compliance Hotline, or a regulatory agency "in good faith" or participates in the investigation, conduct of CHG self-evaluations, audits or other remedial actions, including reporting to appropriate officials, to address a suspected or actual compliance issue. The "in good faith" requirement means a person actually believes or perceives the issue or problem to be true. Reporting does not protect individuals from appropriate disciplinary action regarding their own improper performance or conduct.

### **Patients' Privacy**

CHG is committed to maintaining the confidentiality of patients' protected health information. The Health Insurance Portability and Accountability Act (HIPAA) privacy regulations established national standards to protect individuals' medical records and other personal health information. Because the regulations hold violators accountable, with civil and criminal penalties that can be imposed if patients' privacy rights are found to have been violated, it is especially important that the organization maintain necessary safeguards to protect the privacy of health information. The privacy regulations require that the Organization: (i) informs patients about their privacy rights and how their information can be used; (ii) adopts clear privacy procedures; (iii) trains employees to understand the privacy procedures; and (iv) secures patient records containing individually identifiable health information so that they are not readily available to those who do not need them. If you have any questions relating to health privacy matters, consult your supervisor, the Compliance Officer, or Human Resources Department.

*All employees are urged* to report concerns and issues to their supervisor or through the proper chain of command. However, CHG recognizes that there are instances when employees may feel their concerns cannot be properly addressed through the normal chain of command or other methods of communication. When such situations develop, employees are encouraged to contact any member of the management staff, Human Resources Department, the Compliance Officer, or call the Compliance Hotline. CHG has established a toll-free number for this purpose, (800) 651-4459. A report can be made to the Hotline on an anonymous basis.

### **Why report a concern?**

- It is your responsibility
- It makes for a more comfortable and positive work environment
- It helps our Organization improve
- It makes management aware that a concern exists so it can be looked into
- Your wishes for confidentiality will be respected to the greatest extent possible, and if you are worried about it, report anonymously

- You will not be retaliated against for reporting your concern
- You will be showing excellent ethical decision-making skills
- You will be appreciated and thanked for stepping forward

**Compliance Hotline number: (800) 651-4459**

**You can leave a message 24 hours a day, seven days a week**

To ensure confidentiality to all callers of the Compliance Hotline, calls to the hotline will not be traced. If callers choose to identify themselves, we will make every reasonable effort to protect their confidentiality. No disciplinary action or retaliation will be taken against anyone for calling the Compliance Hotline in good faith. However, reporting does not protect callers from appropriate disciplinary action regarding their own performance.

If you have any questions about this Code, please ask your manager, Human Resources Department or the Compliance Officer. Our success depends on all of our teams' efforts of adhering to this very important Code. Thank you for your cooperation.

# Certification of Receipt and Understanding

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Print Name

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Position

I certify that I have received CHG's Code of Ethical Business Conduct and CHG's CommuniCare Advantage Medicare Part C and Part D Compliance Plan; I commit to reading, understanding and complying with the provisions of the Code of Conduct and abiding by CHG's policies and procedures..

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Signature

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Date

