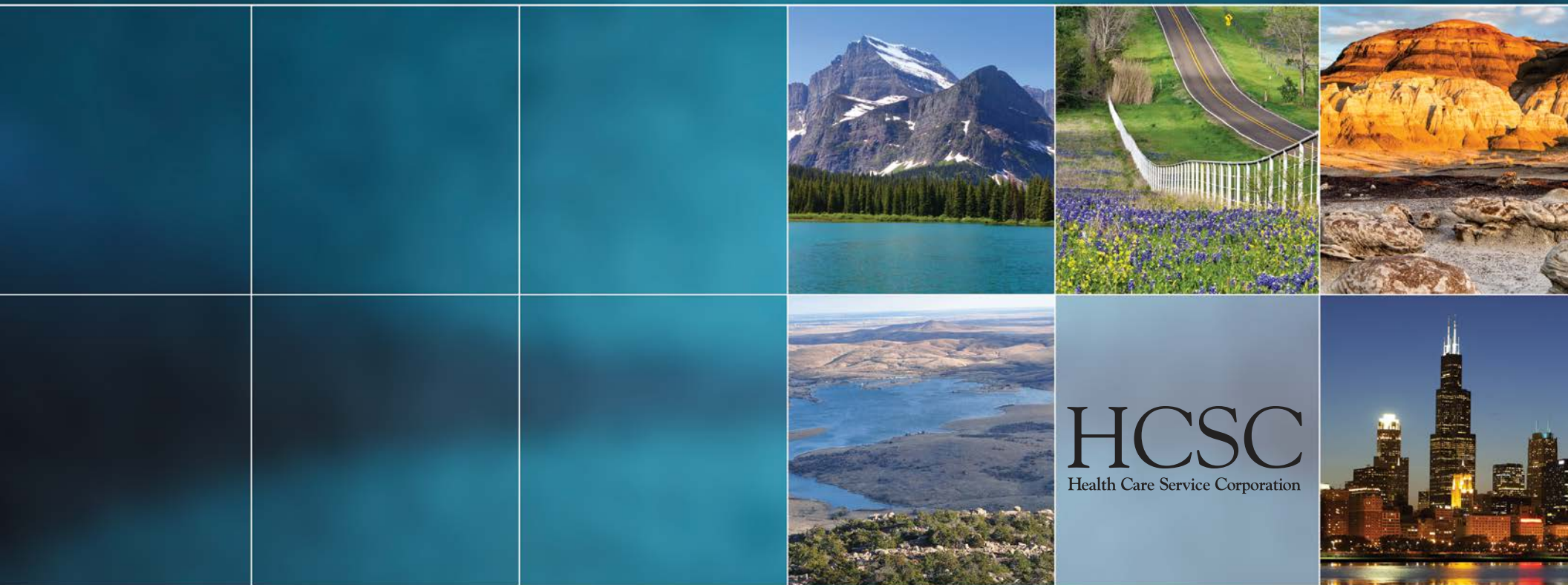


## Living Our Purpose and Core Values



## Our Purpose

To do everything in our power to stand with our members in sickness and in health.

## Our Core Values



**Integrity:** Always do the right thing.



**Respect:** Everyone deserves it.



**Commitment:** We keep our promises.



**Excellence:** We drive extraordinary results.



**Caring:** We put our heart into our work.



## Table of Contents

Our Purpose and Our Core Values	3		
<b>An Introduction to the Code from Tom Lubben</b>	9	<b>Success Through Commitment</b>	57
1.1 Honor the Code: It Applies to You	10	4.1 Fair Competition	58
1.2 Know Your Responsibilities	10	Gathering and Using Competitor Information	59
1.3 Know Your Responsibilities as a Supervisor	12	4.2 Cooperating with the Government	62
1.4 Make Good Choices	13	Requests for Information from Government Agencies	63
1.5 Voice Your Concerns: Corporate Integrity HOTLINE and Web Reporting Tool	16	Gifts to Government, Public and Regulatory Officials and Employees	64
		Federal Procurement	65
<b>Success Through Integrity</b>	21	4.3 When the Government is Our Client	67
2.1 Compliance with the Law	22	When Bidding on Government Contracts	68
2.2 Conflicts of Interest	24	In Performance of Our Government Contracts	69
Relationships Creating Conflicts of Interest and Nepotism	25	In Our Workplace	70
Personal Relationships	26		
Competing Against the Company	26	<b>Success Through Excellence</b>	75
Outside Employment and Other Activities	26	5.1 Accuracy of Records	76
2.3 Gifts, Gratuities and Kickbacks	29	Recordkeeping and Reporting	76
2.4 Fraud, Waste and Abuse	33	Records and Information Management	77
		Report Certifications	77
<b>Success Through Respect</b>	37	5.2 Quality of Service	81
3.1 Confidentiality of Information	38		
Individual's Information	38	<b>Success Through Caring</b>	85
Business Confidential Information	39	6.1 Political Activity	86
Proprietary Business Information and "Insider" Information	39	Political Activity on Personal Time	86
Use of Social Media	39	The HCSC PAC	87
Passwords	42	Employee Political Engagement	87
Client Information	43	6.2 Corporate Contributions, Volunteerism and Fundraising	90
3.2 Work Environment	46		
Harassment, Discrimination and Bullying	47	<b>A Final Word</b>	93
Sexual Harassment	47	<b>Helpful Resources</b>	94
Health and Safety	48		
3.3 Proper Use of Corporate Assets	50		
Intellectual Property and Trade Secrets/ Business Confidential Information	52		
Use of the Internet and Other Electronic Media	53		
Unauthorized Software	54		
Respecting the Property Rights of Others	54		

## An Introduction to the Code from Tom Lubben

At HCSC, we act ethically and honestly in everything we do. Working with integrity is one of our core values, and it's how we want to be known. Our Code of Ethics and Conduct is an essential tool to help us live our values and succeed with integrity. Consider the Code as your guide for doing what's right. It spells out the standards of behavior we expect from you and the policies and regulations that you are expected to uphold. It also helps you determine how to respond in challenging situations and how to voice your concerns.

Our reputation is determined by the actions we take every day. If, after reading the Code, you have additional questions or concerns, please consult your Supervisor, myself or any member of the Ethics and Compliance team. Together our Code and core values of integrity, respect, commitment, excellence and caring will help us find the right path in any situation.

Thank you for your commitment to HCSC's Compliance Program.

Tom Lubben  
Chief Ethics and  
Compliance Officer  
Health Care Service  
Corporation



Tom Lubben  
Chief Ethics and Compliance Officer  
Health Care Service Corporation

## 1.1

## Honor the Code: It Applies to You

HCSC's Board of Directors has adopted this Code of Ethics and Conduct ("the Code"), which applies to everyone at our Company and our subsidiaries, including all Directors, employees and contingent workers identified as staff augmentation/independent contractors ("workers"). Compliance with this Code and the Corporate Integrity and Compliance Program Charter (Compliance Program) is a condition of employment or contract/service agreement.

## 1.2

## Know Your Responsibilities

### Act Ethically

You must conduct Company business in accordance with all applicable laws, regulations, contractual obligations and the Company's Qualified Health Plan Issuer Agreements (Marketplace Requirements), and behave ethically and with integrity. When making business decisions, always follow the principles of the Code.

It is important to consult with the Legal Division when interpreting new laws and regulations or when trying to reconcile laws that appear to conflict or are otherwise unclear. You may also consult with the Ethics and Compliance Department or Government Programs Compliance for assistance in making determinations about the best way to comply with legal and regulatory requirements.

### Uphold the Code

Read and abide by our Code of Ethics and Conduct and adhere to all Company policies, procedures and corporate standards. Claims of ignorance, good intentions or poor judgment are no excuse for non-compliance. Violations of any policies, procedures or standards, or failure to report violations may result in disciplinary action, up to and including termination.

### Speak Up

Maintaining ethical standards means we value our work environment enough to speak up when we don't understand

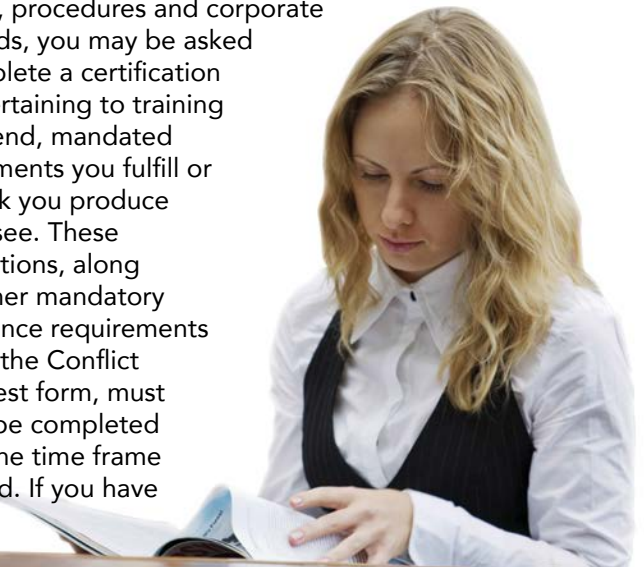
something or have a concern. If you see or suspect that someone is violating the law, our Code or policies, procedures or standards, you have a responsibility to report it to your Supervisor or another [Corporate Resource](#). Do not investigate the matter yourself, and, beyond reporting it to your Supervisor or the appropriate Corporate Resource, maintain confidentiality regarding the issue.

### Do Your Part

Be truthful and cooperate fully with any Company-related investigation or audit. Furnish all related materials and facts concerning suspected violations and ensure that this information is accurate and complete. We take all suspected violations of the Code or Company policies and procedures seriously and investigate each. The Ethics and Compliance Department may enlist other areas of the Company to review the information supplied or conduct their own investigation.

### Certify Your Participation

In accordance with the Compliance Program or other Company policies, procedures and corporate standards, you may be asked to complete a certification form pertaining to training you attend, mandated requirements you fulfill or the work you produce or oversee. These certifications, along with other mandatory compliance requirements such as the Conflict of Interest form, must always be completed within the time frame specified. If you have





concerns about the certification process or any required supporting documentation, consult with your Supervisor or another [Corporate Resource](#).

For information regarding how ethical responsibilities impact employee compensation, see Annual Performance Review Information.

## 1.3 Know Your Responsibilities as a Supervisor

### Maintain an Ethical Workplace

If you are a Supervisor, you are responsible for the actions of your team. You have a special responsibility to maintain a work environment in which they know that ethical and legal behavior is expected.

### Set a Good Example

As a Supervisor, you must make sure that your team understands and applies the ethical standards set out in the Code. You must also set a personal example of high ethical standards in your daily work.

### Listen

To do so, listen to concerns. Make sure that your team feels comfortable voicing their concerns by maintaining an open door policy. Let your team know that you are always available to listen to their concerns and help them make a good faith report.

### Take Immediate Action

If someone does come to you with a concern, you have an obligation to determine if it is an issue that needs to be reported to [Human Resources](#) or another [Corporate Resource](#) immediately. For example, behavior that may be unethical or illegal needs to be reported to Human Resources, the Ethics and Compliance Department or another Corporate Resource. If that is the case, do not investigate the matter yourself, and,

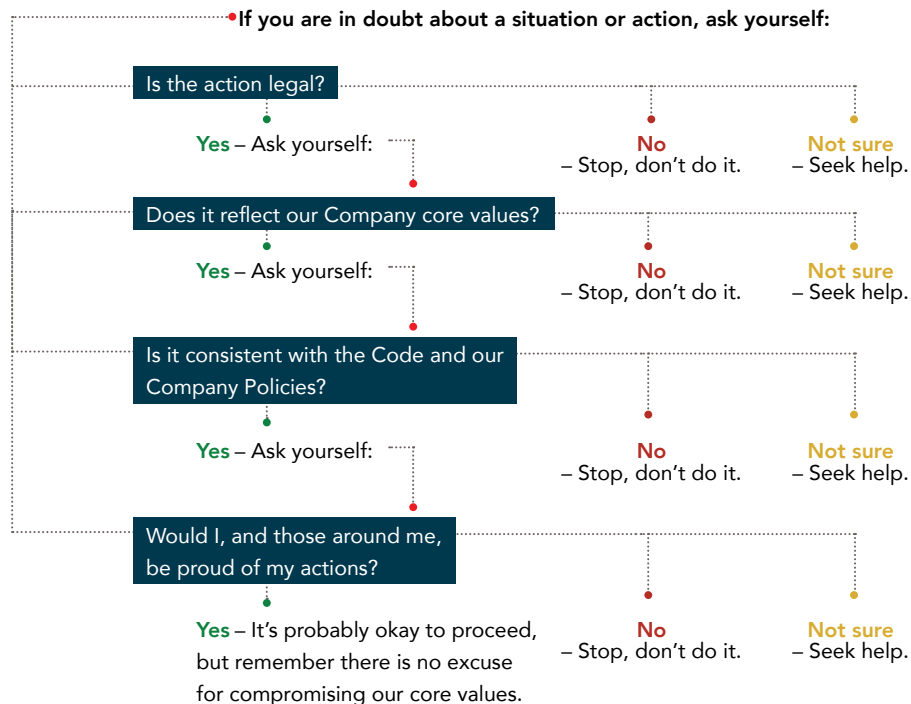
beyond reporting it to the appropriate Corporate Resource, maintain confidentiality regarding the issue. In addition, do not tolerate retaliation against the individual by others. For day to day concerns such as performance, attendance, adherence to dress code, respectful communication, appropriate use of corporate assets and appropriate use of social media, management should first try to address the issue, and then if necessary, escalate continued behavior to Human Resources or other Corporate Resources. For contingent workers, escalate to his/her Account Manager. If possible, Supervisors should take immediate action to address any inappropriate behavior at the time it occurs. For additional guidance on “escalating concerns”, please see the *Leading with Integrity Handbook* for managers.

For information regarding how ethical responsibilities impact management compensation see Annual Performance Review Information.

## 1.4 Make Good Choices



Our business is governed by complex and ever-changing laws, rules and regulations. We recognize that complying with a demanding regulatory environment can sometimes create uncertainty. That is why we want you to have the resources and training you need to make ethical and legal decisions. Use the following ethical decision-making model when you confront difficult choices or ethical dilemmas at work and are unsure how to act.



We expect you to raise questions when you have doubts about whether an action or situation may be improper. We also expect you to report any activity which you believe may violate any applicable laws, regulations, policies or the Code. We do not tolerate any retaliation for bringing forward a good faith concern. "Good faith" does not mean being correct about the potential violation. It means reasonable belief that the information you provided is truthful. Any person who violates HCSC's non-retaliation policy will be subject to disciplinary action and could face termination.

## Use the steps for "Speaking Up" if you have a question or concern:



### Value Your Work Environment

We know speaking up can be hard. Think about what it is you value about your work environment so you are motivated to complete all four steps.



### Consult the Code and Resources for Guidance

What do the Code, Company policies, regulations or the law have to say about this issue?



### Collect Information to Make a Report or Ask a Question

Use the *Guide to Speaking Up* job aid to answer questions that will help put your thoughts in order before going to step four.



### Choose a Reporting Method

You have many reporting options to choose from:

- Discuss the issue with your immediate Supervisor. This is usually the most effective way to address a concern. If you are not comfortable doing this, you may go to any other Supervisor or choose the next resource.
- Discuss the issue with another [Corporate Resource](#) or the [Chief Ethics and Compliance Officer](#). If you are not comfortable doing this, choose the next resource.
- Call our Corporate Integrity HOTLINE at 1-800-838-2552 or report your concern using one of the other options listed below. Your call can be anonymous; you do not have to give your name. However, identifying yourself is preferred, as this allows the Ethics and Compliance Department to interact directly with you and obtain information to help resolve your concern. For more information, see the section of the Code titled Corporate Integrity HOTLINE.

Issues may also be reported in writing and emailed to the [Ethics and Compliance Department](#) or faxed to (312) 938-5431. For anonymous web reporting, go to [hcsc.alertline.com](https://hcsc.alertline.com) and follow the prompts to file a report or follow up on an existing report.



## 1.5 Voice Your Concerns: Corporate Integrity HOTLINE and Web Reporting Tool

At HCSC, you have an obligation to report problems or concerns of ethical or compliance violations. While your Supervisor is usually your first and best resource for questions and concerns, you do have other options available, such as the Corporate Integrity HOTLINE or the web reporting tool. Both options are available 24 hours a day, 7 days a week.

- The Corporate Integrity HOTLINE allows you to seek guidance or report those concerns by calling toll-free, 1-800-838-2552.
- The web reporting tool allows you to report those same concerns in writing by going to [hcsc.alertline.com](https://hcsc.alertline.com).

All contacts to the Corporate Integrity HOTLINE or web reporting tool can be made anonymously and without fear of retaliation. We encourage you to provide accurate, complete information that will assist us with an investigation. Be prepared to describe:

- The situation, including when and where it occurred
- How you know about the situation
- How the situation occurred (e.g., if a procedure was violated or instructions were given, dates and times of occurrence)
- Anyone else who has observed the situation or anyone you have talked to about it
- Who or what might be affected
- Any documents or evidence to support your report



**HOTLINE calls are not answered by an employee of the Company.** Calls are not traced, and the information is treated in a confidential manner, subject to legal limits. Reported issues will be addressed and action taken appropriate to the seriousness of the violation. We handle investigations confidentially and have a policy of non-retaliation against anyone who makes a good faith call. This includes calls from consultants, agency temporary employees, customers, providers, vendors and producers and other entities with whom we do business. Any worker who violates this policy will be subject to disciplinary action up to and including termination of employment or contract/service agreement.

The Corporate Integrity HOTLINE should not be used as a substitute for talking to your local management team, senior management or other [Corporate Resource](#). Use this tool when you believe you have exhausted normal Company channels or feel uncomfortable talking to your Supervisor or another Corporate Resource.



**Q.** Will I be informed about whether or not my concern was investigated and what the outcome was?

**A.** Yes, the Company will communicate with you through the HOTLINE or web reporting tool. You'll be informed when the investigation is complete, but may be provided limited information, so as to protect the rights of everyone involved. Any corrective actions taken may not be shared with you for reasons of confidentiality. All concerns are taken seriously, and handled discreetly and professionally. The best way to learn about the investigation is to use the case number and PIN provided to you at the time you raised your concern. Log in to the HOTLINE or web reporting tool, use those numbers and you can ask a question to receive an update.

**Q.** I am concerned that I am the only person who witnessed a co-worker's misconduct. If I report it, he will know it was me. I'm afraid to call, but should I anyway?

**A.** Yes. Our Company has a policy that prohibits retaliation against anyone for making a report in good faith and everyone has an obligation to report misconduct. Don't ignore this activity. Speak up!

**Q.** Ever since I reported a concern, my co-worker won't speak to me – and the report wasn't even about him. Is this retaliation?

**A.** It might be. Talk to your Supervisor. Refusing to speak with a co-worker is unacceptable. But your co-worker might not know you were the Reporter, and he/she might simply be focused on his/her work. Supervisors need to know when communication is not flowing. Remember, they are there to help!

### Vital Sign

We all have a responsibility to do what's right and to speak up when we see or suspect conduct that violates our policies.

#### For more information on:

Anonymous reporting, see "Tom Talks: Anonymous Reporting"

Overcoming Barriers, see "Tom Talks: Overcoming Barriers"

Collecting information to make a report or ask a question, see Guide to Speaking Up job aid

Non-Retaliation Policy

## Success Through Integrity

We believe integrity is all about doing the right thing. Through every transaction and every interaction with others, integrity must remain one of our highest standards. Every day we have a responsibility to demonstrate our commitment to our stakeholders and customers and protect our good name.

## 2.1

## Compliance with the Law

*Our Standard*

You must conduct Company business in accordance with all applicable laws, regulations, contractual obligations and Marketplace Requirements, and behave ethically and with integrity. When making business decisions, always follow the principles of the Code.

*Your Duties*

It's up to you to ensure your own compliance with any laws, regulations and contractual obligations that apply to our Company.

- If you work on a government program, e.g., Medicare Advantage, Medicare Part D, state Medicaid or municipal government employee benefit programs or perform work related to the Affordable Care Act, you must understand and follow the terms of any applicable contract and all related policies, procedures, corporate standards, Marketplace Requirements and government guidance.
- Bring any questions or concerns regarding specific laws, regulations or any legal issue promptly to the attention of the [Legal Department](#).
- Never jeopardize your job, your co-workers' jobs or the Company's future by taking part in a potentially illegal or unethical activity.
- If you are involved with purchasing goods or services, be sure to follow our Procure-to-Pay Policies and Execution of Instruments Policy. These policies require that purchases be reviewed and approved by internal stakeholders to ensure compliance with federal and state laws and regulations.
- If you enter into any contract on the Company's behalf, you have a duty to make sure it complies with our Execution of Instruments Policy, is consistent with our other policies and is in our Company's best interests.

**Q.** My Supervisor has asked me to do something I believe is illegal. I'm afraid if I don't do what I'm told, I could lose my job. Should I do it?

**A.** Discuss it with your Supervisor to be certain that you both understand the facts. If your concerns are not resolved, or if you are concerned about raising your concerns with your Supervisor, contact a higher level Supervisor or another Corporate Resource. Breaking the law is never acceptable.

**Q.** I have been working with an outside vendor to finalize a contract. Can I sign the contract on behalf of the Company?

**A.** All draft contracts, including Statements of Work, must be submitted to the Corporate Procurement Department for review and processing in order to ensure they comply with the law, are in our Company's best interests and follow all applicable policies.

### Vital Sign

We have an obligation to know, understand and follow the laws, regulations and corporate standards that apply to the work we perform.



**For more information, consult the following Company Policies:**

- Compliance with the Law Policy
- Procure-to-Pay Policies
  - Purchasing and Supplier Payment
  - Sourcing and Supplier Contracting
- Execution of Instruments Policy

## 2.2

### Conflicts of Interest

#### *Our Standard*

Although you may not realize it, every day you make business decisions that affect our Company. It is critical that you make each decision objectively and in our Company's – not your own – best interests.

#### *Your Duties*

To protect our interests and our reputation, we depend on you to avoid situations where your personal interests could conflict, or even appear to conflict, with the interests of the Company, also known as conflicts of interest. Remember:

- Never allow personal gain to influence your judgment in making business decisions.
- Be free of actual, apparent or potential conflicts of interest when dealing with people or business entities on behalf of the Company.
- Award business solely on merit and on a competitive basis. Whenever possible, ensure the best value for the Company.
- You may be asked to complete an attestation form from time to time relating to potential conflicts of interest. We

may request additional information about potential conflicts of interest when necessary to respond to a customer or government body.

### Relationships Creating Conflicts of Interest and Nepotism

- Do not conduct Company business with any entity in which you or your family owns at least five percent or controlling interest. A potential conflict of interest may also exist if a family member is in a managerial position. A family member is a worker's:
  - Current spouse or domestic partner
  - Person with whom a worker is in a civil union
  - Parent/stepparent
  - Children (includes biological, adopted, foster or other legally placed children)
  - Siblings (includes biological, step or half)
  - Nieces and nephews
  - Grandparent
  - Grandchild
  - In-laws
  - Corresponding family members of any worker's spouse, domestic partner or person with whom the worker is in a civil union
- Employment of family members is permitted, but may not be the basis for a hiring decision. The Company bases hiring and employment decisions on qualifications and not on family or personal relationships. Employees must avoid direct or indirect responsibility for the hiring or supervision of a family member. Even the appearance of favoritism can have a negative effect on team morale and perception of the Company's fairness to all workers.
- Never use information that comes to you through work for personal investment or gain. Also do not share this type of information with family members or others.

### Personal Relationships

- If someone close to you, whether a family member or friend, works for a competitor, vendor, provider, customer or producer, be aware of potential security or confidentiality issues and conflicts of interest. Avoid situations that could reasonably create an actual, potential or apparent conflict of interest.
- Avoid romantic or close personal relationships where one individual supervises the other's performance, salary, schedule or other working conditions.
- If you become involved in a romantic or close personal relationship, such as a romantic relationship where one individual supervises the other, you are required to immediately disclose and review the matter with your Supervisor or other Corporate Resource, to determine if there is a conflict and how to resolve it.

### Competing Against the Company

- Never compete against the Company, either directly or indirectly, in any of the products or lines of business that we currently sell or may be selling or developing.
- Do not use your position with the Company for your own – or anyone else's – gain.

### Outside Employment and Other Activities

- Recognize that a conflict of interest may exist if an outside activity hinders or distracts you from performing your job or influences your judgment.
- Do not engage in any activity that negatively impacts your job performance.
- Generally, do not seek or accept any outside employment with a competitor, provider or entity which does business with our Company. If you have any questions about a particular job or activity, contact your Supervisor.

**Note:** It is not possible to list every type of potential conflict of interest. When in doubt, talk to your Supervisor or another [Corporate Resource](#).

**Q. My spouse works for a company that proposes to supply higher quality, less expensive supplies to our Company than our current vendor. Can we deal with that company?**

**A.** As long as you stay out of the purchasing decision, the Company can reach an independent judgment. Always notify your Supervisor of any close relationships with vendors or business partners.

**Q. I have an outside business selling fitness products. Can I use Company bulletin boards, email or interoffice mail to advertise these products to co-workers?**

**A.** No. While you may engage in an outside business on your own time (if no conflict of interest exists), you may not promote your products or services during Company hours or on Company property. Also, you may not use the Company's name, facilities or resources (e.g., time, phones, copiers) to conduct personal business activity.



## 2.3

### Gifts, Gratuities and Kickbacks

#### Vital Sign

Never use information that comes to you through your job for personal investment or gain. Also, never share this type of information with family members or others.

**For more information, consult the following Company Policies/Documents:**

- Conflicts of Interest Policy
- [Conflict of Interest Decision Tree](#)
- Outside Employment Questionnaire
- Outside Employment Questionnaire for Healthcare Professionals



#### *Our Standard*

In dealing with vendors, service providers and customers, we maintain the highest standards of integrity and objectivity. We may not accept or give gifts or gratuities beyond common business courtesies of nominal value, and we do not offer anything of value to officials of foreign governments.

#### *Your Duties*

Gifts and entertainment are a part of doing business, but if they are lavish or offered too frequently, they can compromise your objectivity and create the appearance of favorable treatment. It's up to you to recognize when a gift or gratuity is excessive and refrain from giving or receiving them.

- Never offer or accept gifts or items of value to or from government, public and regulatory officials and employees unless such gifts or items of value have been approved in advance by the Legal Division and/or the Ethics and Compliance Department. Restrictions exist regarding entertainment of government, public and regulatory officials and employees. Rules relative to government, public and regulatory officials and employees should always be reviewed in advance with the Ethics and Compliance Department or Legal Division. (See Standard 4.2, Gifts to Government, Public and Regulatory Officials and Employees)
- Never accept or give kickbacks when obtaining or awarding contracts, services, referrals, goods or business. A kickback is an offer to receive, request or pay anything of value, even nominal value, to reward business referrals, including goods or services.
- Do not accept or offer gifts, gratuities or favors except common business courtesies of nominal value (\$50 or less) that are given to or received from one source.
- Remember the value of all gifts received in one year from all business sources must not exceed \$150. Gifts exceeding

this policy must be approved by the President, Executive Vice President or Senior Vice President.

- Do not offer or accept gifts of cash or cash equivalents to or from any current, former or potential vendor, customer, broker or provider. Cash equivalents include checks, honoraria, money orders, stocks and savings bonds. Gift certificates and gift cards are not considered cash equivalents, but they are subject to our limits on business courtesies.
- Entertainment and meals offered or received by workers as part of legitimate business activity are not included in the \$50 gift limit, but they must be within reason and moderation. Prizes from raffles and drawings as part of a legitimate business activity (such as a conference) may be accepted if:
  - The raffle or drawing is a legitimate giveaway and not an attempt to influence your judgment.
  - The event is open to the public or to all attendees and your name was chosen at random.
  - The prize is not excessive and appropriate to the occasion.
  - The prize is not cash.
  - You are not under any obligation to the company sponsoring the event.

Generally, prizes from raffles and drawings outside of business activities are not considered gifts.

- Notwithstanding the permissibility of certain nominal gifts noted above, workers and vendors engaging in activities that involve foreign countries and governments shall not offer anything of value (including money or items of value, including nominal value) to an official of a foreign government, foreign political party, candidate for foreign government office or to any third party if the worker or vendor knows or has reason to know that all or a portion of the item of value will be offered to such foreign individuals or entities.

- If you suspect payments or items of value are being offered to an official of a foreign government, foreign political party or candidate for a foreign government office, either directly or through a third party, notify your Supervisor or another Corporate Resource.
- Although we do not set a dollar limit on gift-giving among workers, always use good judgment when giving or accepting gifts. Gifts of nominal value are always best, and contributing to a gift must always be voluntary. Never give a gift to another worker to influence or show favoritism.
- Know that when the Company awards items to employees as recognition for a business achievement or as part of Company-sponsored events, they are not considered gifts, but they are subject to all applicable federal, state and local tax requirements.

**Q. A vendor is considering purchasing new equipment. I received an invitation to evaluate it. The vendor is headquartered in another city and offered to pay my travel expenses. Is this OK?**

**A.** No. You must avoid even the appearance that your decision to buy might be improperly influenced. If there is a business need to evaluate this equipment, the Company should pay all your expenses.

## 2.4

### Fraud, Waste and Abuse

**Q.** It is not clear from a contract with an offshore vendor what services they are supposed to be providing and/or the invoices from the offshore vendor contain suspicious charges for services not referenced in the Statement of Work. Should I be suspicious?

**A.** Yes, these could be warning signs of potential noncompliance with the U.S. Foreign Corrupt Practices Act (FCPA) and should be reported to your Supervisor or another Corporate Resource.

#### Vital Sign

We are prohibited from accepting or giving gifts or gratuities beyond common business courtesies of nominal value.

**For more information, consult the following Company Policies/Documents:**

- Gifts, Awards and Perquisites Policy
- Conflicts of Interest Policy
- Decision Tree: Receiving Gifts
- Decision Tree: Providing Gifts and Entertainment for Government Business
- Decision Tree: Providing Gifts and Entertainment for Commercial Business

#### *Our Standard*

Acting ethically and honestly is expected from all of our employees and contingent workers. That is why we do not tolerate cheating, stealing, deception or acts of fraud. Fraud is an intentional misrepresentation of fact through the use of words, conduct or concealing important information, to induce someone to act in a way that causes them injury or harm (including financial injury) or results in the receipt of benefits to which an individual or entity would not otherwise be entitled. This type of activity damages our reputation and our bottom line, and it has no place in a company that values integrity.

#### *Your Duties*

Learn to recognize fraud, waste or abuse, which can include offering false or fictitious information, reports or claims made to another person. It can also include taking unfair advantage of someone either through manipulation, concealing something, misusing inside information or misrepresenting facts.

- Some examples of fraud, waste or abuse may include:
  - Submitting false information to the government to obtain money or some benefit; also attempting to defraud or obtain money from a health care benefit program
  - Misrepresentation or falsification of health insurance claims, invoices or expense reports
  - Abuse or misuse of Company equipment, material, property or credit cards
  - Dishonest accounting practices
- To help prevent fraud, waste and abuse, we depend on you to:
  - Know and abide by terms of contracts to which the Company is a party.
  - Stay true to our Company's Code of Ethics and Conduct.

- Cooperate fully and truthfully with government agencies, auditors or others conducting investigations. Also see [Cooperating with the Government Section 4.2](#).
- Report improper payment to government officials or third parties.
- Comply with the laws that impact our business.

If you see or suspect a potential act of theft or fraud, [report it immediately](#). In addition to the normal reporting resources, reports can also be made to the HCSC Fraud Hotline at 1-800-543-0867. We will promptly investigate the incident and take appropriate action. Remember, we depend on you to help spot this activity before damage is done.

**Q. I work with Medicare Advantage and recently heard about a sales person offering someone a \$100 gift card if she signed up for Medicare Advantage today. Should I be suspicious?**

**A.** Yes. Offering monetary rewards to sign up for a government health plan is a violation of law. Report this activity to the Ethics and Compliance or Legal Department immediately.

**Q. I noticed something unusual while processing claims. One group of claims is nearly identical – submitted by the same diagnostic center on the same day. The amount of the claims also exceeds normal costs. This is probably just an error – nothing to worry about, right?**

**A.** Wrong. Claims with nearly identical information and unusually high costs are suspicious and should be reported to a Corporate Resource. Don't ignore red flags like these.

### **Vital Sign**

We must all do our part to identify and avoid fraud, waste and abuse.

**For more information, consult the following Company Policy:**

- Government Programs Fraud, Waste and Abuse Program



## Success Through Respect

We believe every worker at every level of our organization deserves a positive and productive workplace. Our goal is to maintain an environment where we respect each other as well as our Company and its assets.

# 3.1

## Confidentiality of Information

### *Our Standard*

Our Company information is a valuable commodity. Each of us must protect the confidentiality of information about our members, clients and business partners, both inside and outside of the Company. Each of us must also protect the confidentiality of sensitive information about employees and contingent workers.

### *Your Duties*

It's up to you to take precautions to avoid improper, inappropriate or inadvertent disclosures of information, records or documents that are confidential or privileged. Only share this information with workers who have a legitimate business "need to know" and only share the minimum necessary.

### **Individual's Information**

We must protect the confidential information of our members, providers and any other individual's information we possess including workers' Personally Identifiable Information (PII). This information should only be shared with authorized people both inside and outside of HCSC and in accordance with all applicable federal and state laws, and corporate and departmental policies and procedures.

PII includes Protected Health Information (PHI), State Personal Information (SPI) and Contract Personal Information (CPI). We must protect the privacy of this information both internally and externally because:

- Improper uses and disclosures can invade someone's privacy, damage his or her reputation, cause embarrassment or identity theft, violate federal and state privacy laws and could expose the Company to lawsuits.
- Violations of law carry serious penalties, possibly for both individuals and companies.

- Improper use may also violate the Company's agreement or contract with a government agency or another customer.

The Company often needs to retain Personally Identifiable Information about individual workers as a part of doing business. Help us maintain the confidentiality of this information and limit access to authorized persons who need the information for business or legal purposes.

### **Business Confidential Information**

Do not disclose Business Confidential Information (BCI), also known as Intellectual Property and Trade Secrets, to unauthorized third parties or to workers unless those workers must have it to perform their duties. Please see the [Proper Use of Corporate Assets](#) section for more information about BCI.

### **Proprietary Business Information and "Insider" Information**

Never give confidential or proprietary Company information to competitors, suppliers or outside contractors or others without proper authorization. This includes financial information, customer lists, discounts, special prices, computer data and computer programs, as well as descriptions of Company processes or operations. Do not discuss potential business relationships, purchases, mergers or acquisitions or other organizational changes with anyone outside the Company, and only discuss them within the Company on a "need to know" basis.

### **Use of Social Media**

Social media allows you to participate in global conversations related to things we care about, including our work. Whether you are communicating internally through social media sites such as Yammer and Jabber or externally through sites such as LinkedIn, Facebook, Twitter, Instagram or similar digital communication channels, use good judgment. Remember these three rules of engagement: disclose relationships and



endorsements with the Company, protect our Company and yourself, and use common sense by being professional and appropriate in your communication. As an HCSC worker, it is your responsibility to protect confidential information and to abide by all of HCSC's policies, procedures and corporate standards online and offline, even if your profile or the page/forum in which you are posting is listed as "private" or "closed." In general, remember:

- Only specifically authorized employees may speak on behalf of HCSC or its subsidiaries.
- You are personally responsible for the content you publish online, whether in a blog, social media site or any other form of interactive media. Use good judgment, and avoid posting offensive material. Please be mindful that what you publish will likely live online for years. Protect your privacy and take care to understand a site's terms of use. Perception is reality on social networks. The lines between public and private, personal and professional, can get blurred. Consider using a disclaimer like this in your bio/post: "The postings on this site are my own and don't necessarily represent my employer's positions, strategies, or opinions."
- Make sure that anything you post is consistent with our core values.
- Treat other workers, customers and competitors in a professional manner.
- If you make a public recommendation/endorsement about HCSC's products or services on any personal social media site or digital platform, you must disclose that you perform work for HCSC in the post itself, not simply in your bio or profile. Using a disclaimer in your bio or profile is recommended, but not sufficient. A good example includes, "The company I work for has a great tool that helps me lower my stress!" Make sure any statements about our Company's products and services are truthful and substantiated.
- Just like through other communication channels, HCSC's confidential and/or proprietary information should be protected at all times and not shared through social media. Keep this in mind when engaging in online conversations that may directly relate to an HCSC product, service or situation. Remember, if you are online, you are on the record; everything on the Internet is public and searchable.
- Protect the confidentiality of information concerning members and clients at all times. Never post unauthorized, inappropriate or incidental disclosures of sensitive, confidential or privileged member, provider, group, employee, broker and proprietary business information, records or documents.
- We encourage you to post pictures and videos of community events, speaking engagements, employee events, Business Resource Group events, etc. Be careful not to upload workplace pictures and videos to social media sites that might compromise the security of our offices or the privacy of workers or members. Remember that you can inadvertently disclose confidential or proprietary information if a photo includes a computer screen or documents.
- Social media is a great way to support HCSC's recruiting efforts. We encourage you to use social networks, including LinkedIn, to share posted HCSC job opportunities and invite candidates to apply through HCSC's career website.
- Mistakes and typos are inevitable. If you make a mistake on social media, correct it as quickly as possible. If you believe the error may have in any way compromised the privacy of workers or members or revealed proprietary or confidential Company information, report it to your Supervisor to ensure no additional corrections or clarifications will be required. You can always ask for help from a Supervisor or another [Corporate Resource](#) if you need clarification.

- If you see a fellow worker post something that you believe may violate any of the policies listed in this document, report it to your Supervisor or another [Corporate Resource](#).
- You should not use social media as a substitute for a proper Corporate Resource to report a concern about the Company, a worker or a customer.
- Social media is prime ground for attackers to collect information on an individual that can be used to try and target a company. Be careful in what you share online.
- If you are leaving the Company, please remember to update your employment information on social media.

### Passwords

Also protect the confidentiality and integrity of information used to access our systems, including passwords and other personal security codes. Keep your passwords and other personal security codes confidential and know that you are responsible for the actions resulting from the use of your passwords. Do not share your passwords or let others use your computer while you are logged on. This protection is important because:

- All of our information security mechanisms utilize user IDs and passwords to authenticate an individual's identity and establish approved access and rights.
- If multiple individuals have access to the same user IDs and passwords, it is difficult to tell who did what.
- Often our license agreements with system vendors allow only a certain number of users.

Store all Company documents and files on corporate servers, so they may be recovered and accessed by the proper individuals. Whenever an authorized technician works on your computer, you must be present to enter your password and provide oversight.

### Client Information

Although our Company is not publicly traded, many of the companies that we do business with are. During the course of your work, you may become aware of "insider information." It is against the law to use this information for the Company's or your own financial gain. Also, do not "tip" others by sharing this information with them.



**Q.** If an employee is terminated or resigns from the Company and his or her potential employer calls for a reference, can we give them information on job performance, attendance or compensation?

**A.** No. Regardless of how the employee left the Company, we may not disclose his or her personal information to the prospective employer. We can only verify that the person worked at the Company and provide dates of employment. Salary information is not released without the employee's written consent. All such requests should be forwarded to Human Resources for handling.

**Q.** A new hire told me that he used to work for a client of ours. Is it OK for me to ask questions about that company so we can find out how to better market to them?

**A.** No. He may have an obligation to protect the information of his former employer that continues after he leaves the company.

## Vital Sign

Only disclose medical record and claim information or other confidential information outside the Company to authorized persons or entities, in accordance with applicable laws and Company policies and procedures.

**For more information, consult the following Company Policies:**

- Confidential Information Policy
- Social Media Use and Requirements Policy
- Social Networking Policy
- Authentication Controls (IDs and Passwords) Policy
- Corporate Privacy Minimum Necessary Policy
- Verification of Identity and Authority Policy
- Authorization Policy
- Data Classification Framework

## 3.2 Work Environment

### *Our Standard*

Our Company is committed to maintaining a work environment that is safe and secure and where everyone is treated with dignity and respect. We believe the diversity of our workers is a great asset, and valuing that diversity creates a more productive and fulfilling workplace. We also value the diverse contributions of all people, regardless of their position, race, color, creed, religion, sex (including pregnancy, childbirth or related medical conditions), age, ethnicity, national origin and identity, mental or physical disability (including HIV and AIDS), veteran status, family status, sexual orientation, gender identity or expression, genetic information or any other basis protected by law. Our employment practices are based solely on ability and performance.

### *Your Duties*

Our workers have the right to work in an environment free from harassment and discrimination, where privacy and dignity are respected and all are protected from offensive, obscene or threatening behavior, whether in person or while online. You have a duty not to engage in behavior that violates this policy.



### **Harassment, Discrimination and Bullying**

We do not tolerate any form of discrimination or harassment – verbal, physical or visual – by workers, customers, suppliers or others because of a person's race, color, religion, sex (including pregnancy, childbirth or related medical conditions), age, ethnicity, national origin, disability, veteran status, family status, sexual orientation, gender identity or expression, genetic information or any other basis protected by law. We also do not tolerate bullying; by that we mean using your position to unfairly influence, intimidate or harm someone.

Intimidating, hostile or offensive activity, including on digital platforms, affects us all. It lowers morale and interferes with everyone's ability to work. We depend on you to help keep this conduct out of our business. Remember:

- Treat everyone you encounter with dignity and respect. That includes co-workers, customers, suppliers and any other Company stakeholders. Never single out anyone for negative treatment.
- Report any incidents of harassment, discrimination and bullying. They are not tolerated at our Company.
- Recognize this conduct, which includes any actions, language, written materials or objects that are used in a harassing or intimidating way, regardless of the communication method used. All of the following are prohibited: threats; unwanted sexual advances, invitations or comments; visual displays, such as derogatory, racial, or sexually oriented pictures or gestures; and, physical conduct, including assault, unwanted touching or demands to submit to sexual requests as a condition of employment.

### **Sexual Harassment**

Learn to recognize sexual harassment, which is defined as sexual advances, requests for sexual favors or other verbal or physical conduct of a sexual nature when:

- Submission to such conduct is made a term or condition of an individual's employment.
- Submission to or rejection of such conduct is used as the basis for an employment decision, such as awarding a promotion.
- Such conduct has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile or offensive work environment.

If you believe you have been the subject of sexual harassment, notify your Supervisor or the [Human Resources Department](#). You may also call the [Corporate Integrity HOTLINE](#).

### Health and Safety

As an HCSC worker, you are responsible for adhering to all Company policies, procedures and corporate standards related to workplace safety and security. While on Company premises, you must wear a Company-issued identification badge at all times.

Our Company is also committed to providing you with a safe and healthy work environment that is free from illegal drugs, violence, threats of violence and the influence of alcohol. We prohibit:

- The *unauthorized* use or being under the influence of alcoholic beverages in the workplace or while conducting Company business.
- The use or possession of illegal drugs or other controlled substances in the workplace or being under the influence of such substances while on the job. Prescription drugs are permitted, as long as they are used in accordance with your doctor's prescription and you can safely and effectively perform your job.

**Q. One of my co-workers has a habit of telling questionable ethnic or "off-color" jokes. This offends me and others. How can I get this to stop?**

**A.** Company policy prohibits this type of behavior. You may discuss your feelings with the person telling the joke. If you are uncomfortable doing so, consult with your Supervisor or the Human Resources Department or call the Corporate Integrity HOTLINE.

**Q. I recently witnessed a co-worker making insulting gender-related remarks to a co-worker. Since it doesn't affect me, should I stay out of it?**

**A.** No. Immediately report the issue to your Supervisor or to another Corporate Resource for appropriate investigation. We do not tolerate harassment, and we expect you to report it if you see it.

## Vital Sign

If you observe or experience harassment, you should report it without fear of retaliation.

**For more information, consult the following Company Policies:**

- Workforce Diversity and Inclusion Policy
- Equal Opportunity Employment Policy
- Anti-Harassment Policy
- Alcohol Free and Drug Free Workplace Policy
- Non-Retaliation Policy

## 3.3 Proper Use of Corporate Assets

### Our Standard

Our Company's assets are here to help our business run effectively, and all of us must protect them from loss, damage or misuse. These assets include corporate data, business strategies and plans, financial data, equipment, furniture, vehicles, office supplies, corporate funds, credit cards, work time, computer supplies and software and other proprietary or confidential information about our business or workers.

### Your Duties

These assets are available for you to do your job, and it's up to you to use them and maintain them with the utmost care and respect. Remember:

- Guard Company assets against misuse, waste, abuse, loss and theft.
- Ensure that assets are only used for valid Company purposes.
- Protect confidential or proprietary Company information by never sharing it with unauthorized parties such as competitors, suppliers or outside contractors without proper authorization.
- If you know of someone misusing, damaging or stealing Company property, report it to your Supervisor or another [Corporate Resource](#), who will investigate and take appropriate action.





## Intellectual Property and Trade Secrets/Business Confidential Information

Another category of assets we expect you to protect is our intellectual property and trade secrets, also known as Business Confidential Information (BCI). These assets include all ideas, inventions, discoveries, improvements and innovations, such as:

- New product design
- Marketing plans
- Detailed financial or pricing information
- Computer programs, models and databases (including source codes)
- Trademarks
- Patents
- Copyrights
- Logos

The Company owns all intellectual property that you, as an employee or contingent worker, create, develop or write, either on your own or with another person during working hours or not that:

- Relates to – or competes with – actual or anticipated Company business, research or development or other business, strategy or customers of the Company
- Results from work assigned to or performed by you for the Company
- Is created using Company systems, equipment, materials, facilities, computer programs or other resources or ideas, or confidential or proprietary business information

## Use of the Internet and Other Electronic Media

Remember that our Company's communication systems, e.g., phones, voicemail, fax, email, Internet and Company intranet are provided for your use for business purposes. At no time should such systems and equipment be used to access, store, download or distribute materials that are:

- Unauthorized or personal, such as software or music, except for tablet PCs and smartphones, which feature user-download functionality. Being issued a Company tablet or smartphone is considered authorized use, but ensure that your downloads do not violate Company policy.
- Offensive, threatening or malicious
- Criminal or promote criminal activity
- Sexually explicit

Only occasional personal use of the Company's communications systems is allowed, and only if it does not violate the above restrictions and does not interfere with your job performance or the security or effectiveness of any system. If you have questions about appropriate use, speak to your Supervisor about guidelines for your area.

Because the Company owns these communication systems, you should have no expectations of rights to privacy. Management reserves the right to revoke Internet privileges and access, monitor and disclose the contents of any communications, whether business or personal, in accordance with laws. The consequences of visiting an Internet site and viewing, downloading or sending sexually explicit materials is a serious violation of Company policy and will lead to disciplinary action, possibly termination.

For information on use of social media, see the Confidentiality of Information Integrity Standard.

## Unauthorized Software

Protect our Company's computer systems by never loading unauthorized software onto Company-owned PCs, workstations or other computer systems. This could destroy information or systems or cause damage (like incompatible drivers or commands). Software may also be contaminated with viruses or conflict with computer architecture, which could disrupt your computer and others.

- Do not make unauthorized copies of computer software programs or use personal software on Company computer equipment.
- Before taking action, contact the appropriate HealthTech personnel, who must approve and possibly install any software.
- Remember, the unauthorized copying or use of unauthorized software could violate federal copyright laws and result in civil and/or criminal liability.

## Respecting the Property Rights of Others

Always respect the property rights of others by never misusing their intellectual property or trade secrets, including the copying or downloading of trademarks, copyrighted materials and logos.



**Q.** Can I supply a list of our clients to an outside source?

**A.** No. Client lists are a valuable asset and should never be disclosed to anyone outside of the Company without specific management approval.

**Q.** Can I download documents, pictures, media clips or software from the Internet for distribution, printing or use on my computer?

**A.** You may download these items if they are related to a legitimate business need and allowed by the host site. Follow copyright laws before doing so, even if there is a legitimate business need.

## Vital Sign

We use and maintain Company assets with the utmost care and respect, guarding against waste, abuse, loss and theft.

**For more information, consult the following Company Policies:**

- Proper Use of Company Assets Policy
- Confidential Information Policy
- Social Media Use and Requirements Policy
- Social Networking Policy



## Success Through Commitment

We believe that any successful business is built on commitments, so we honor the commitments we make to our members, workers, the government and the companies with which we do business. We also take responsibility for our actions and focus on fairness and cooperation.

## 4.1

## Fair Competition

*Our Standard*

We are committed to a policy of vigorous, lawful and ethical competition based on the merits of our Company's products and services. By delivering high-quality products and services fairly, ethically and legally, we maintain the trust of our customers and providers.

*Your Duties*

Help us maintain our customers' trust by:

- Ensuring that our sales materials, advertisements and other communications accurately and fairly describe our products and services
- Promoting our products and services through fair and accurate comparisons with our competitors

Our Company complies with all applicable antitrust and competition laws. While these laws are complex, they generally prohibit agreements or conduct that may restrain trade or reduce competition. They are intended to provide a variety of products and services at competitive prices. To help us comply:

- Avoid all contracts, agreements and understandings which unlawfully reduce or eliminate competition or the production or sale of products or services.
- Refuse any agreements with competitors to establish or fix prices or to divide or allocate markets either by market segment, geography or by any other means. Do not engage in any discussions with employees of competitors about these matters.
- Take special care in ensuring that our discussions and activities with representatives of other companies are in compliance with antitrust laws.

- Contact the [Legal Department](#) if you have questions about potential antitrust implications or antitrust practices.

We compete fairly and believe that information about competitors, customers and providers is a valuable asset in a highly competitive market. However, we do not tolerate illegal or unethical means of obtaining this information. Never seek or use information in a way that violates antitrust laws or laws and contracts protecting proprietary data.

**Gathering and Using Competitor Information**

Like any other company, HCSC believes in remaining competitive. That includes learning as much as we can about the competitive marketplace in which we operate. We believe in gathering this information legally and ethically, and we are committed to avoiding even the appearance of improper activity. You are responsible for understanding the proper methods for gathering competitive information legally and ethically. Remember:

- Do not use confidential information about a competitor that was obtained inappropriately.
- Be sure that you and everyone who is involved with gathering competitive information understand what information is needed and the legal ways to get it.
- If you have questions regarding whether gathering certain competitor information is appropriate, consult the [Legal Department](#).
- Only use legal methods to obtain public information.



**Q.** One of our competitors has proposed that we both freeze prices for one of our products for six months to show our mutual commitment to restraining health care costs. She says this is legal because we are limiting the price we will charge consumers. Is it legal?

**A.** No. It may be illegal. Maximum price-fixing agreements may be just as illegal under the antitrust laws as minimum price-fixing agreements. Avoid any discussion of prices with competitors and consult with the Legal Department any time you receive a similar proposal.

**Q.** Do I have to give a specific reason for refusing to do business with a particular producer, vendor or consultant?

**A.** We have broad discretion to decide with whom we do business, as long as we have legitimate business reasons and are not engaged in anti-competitive practices. If you have any questions about whether a particular practice is anti-competitive, contact the Legal Department.

**Q.** A new employee of ours used to work for a vendor that served one of our competitors. He says he has information that would be useful to us, and he can share it since he did not work directly for that competitor. Should I hear what he has to say?

**A.** You should consult with the Legal Department. If the new employee obtained confidential or proprietary information about our competitor, he could be violating his duty of confidentiality to that company. We may not gather information or use information obtained in violation of a duty of confidentiality.



## Vital Sign

As partners in the overall delivery of health care, we are fair and honest in all dealings with health care providers.

**For more information, consult the following Company Policies and Resources:**

- Fair Competition Policy
- Competitive Intelligence Research Collaborative (CIRC)
- Education resources on antitrust and competitive intelligence in myLearning

## 4.2 Cooperating with the Government

### *Our Standard*

We comply with the laws, regulations and Marketplace Requirements that govern the state and federal programs we administer, e.g., Indian Health Service, Medicare and Medicaid, state or municipal government employee benefit programs. We must also follow the rules and requirements under the Affordable Care Act. We are respectful when working with government officials, cooperating with reasonable requests for information from government and regulatory agencies.

### *Your Duties*

When working with government and regulatory officials, remember:

- Always show respect.

- Forward any verbal or written requests for information other than routine inquiries you normally receive in the normal course of business with that particular entity to the [Legal Department](#).
- Work with the Legal, Audit and/or Compliance Departments on information requests, and treat any such requests for information from the government as one of your highest priorities.
- Respond to requests for information within the requested timeframe, and ensure that the information you provide is truthful and accurate.
- Never impede, obstruct, improperly influence the conclusions of, or affect the integrity or availability of any government review or investigation.
- If you have any doubt about how to respond, or about the accuracy of the information you are providing, consult your Supervisor before responding.
- If the government or regulatory agency has a vendor working on their behalf, deal with that vendor as if it were the agency itself.

### **Requests for Information from Government Agencies**

Providing accurate, complete information is critical when working with government agencies. Remember:

- If you are approached by any person identifying himself or herself as a government investigator, immediately contact the [Legal Department](#) before responding or providing any information. A representative will assist you in following proper procedures for cooperating with the investigation.
- Don't feel pressured to talk to a government investigator without first contacting our [Legal Department](#). They will consult with any worker who is contacted in connection



with a government investigation of the Company. You can advise the investigator that you need to contact the Legal Department for further direction and you may ask for contact information for that investigator. Please advise him or her that someone from the Company will get back to them as soon as possible.

- Ensure that information we provide is not misleading by including all material facts. If you have any doubt about the accuracy, responsiveness or propriety of the information you may be producing, check with your Supervisor. If the Legal Department is engaged on the matter, do not produce any information without their approval.
- Never lie or make false or misleading statements, whether oral or written, to any government official or agency or anyone acting on their behalf, such as a lawyer or investigator.
- Never attempt to persuade or assist a Company employee or any other person, to provide false or misleading information to a government official or agency.
- Never destroy or alter any Company document or record when anticipating or following a government or court request for the document or record.
- Honor all holds that are placed on our normal document destruction procedures when a government audit or investigation is imminent or pending. Maintain this hold until you are instructed in writing by the Legal Department that it can be released.

### **Gifts to Government, Public and Regulatory Officials and Employees**

Generally, federal, state and local laws prohibit government, public and regulatory officials and employees from accepting anything of value. This may include things like buying lunch or

dinner for, or hosting an event with, a government employee. Because of these restrictions, always check and abide by all federal, state and local laws, rules and regulations relating to gifts and entertainment of government, public and regulatory officials and employees and never offer a gift to, or on behalf of, a government, public or regulatory official or employee unless they have been approved in advance by the Legal Division and/or Ethics and Compliance Department. Do not under any circumstances offer anything of value (including money or items of value, including nominal value) to an official of a foreign government, foreign political party, candidate for a foreign government office, or to any third party if you know or have reason to know that all or a portion of the item of value will be offered to such foreign individuals or entities. For additional information, please see the [Gifts, Gratuities and Kickbacks Integrity Standard](#). If you have questions as to what those specific legal restrictions may be, contact the Legal Division, Ethics and Compliance Department or the [Corporate Integrity HOTLINE](#).

### **Federal Procurement**

Our Company is subject to the Federal Procurement Integrity Act when bidding on federal contracts. This law calls for ethical business conduct for companies seeking to obtain work from the Federal Government. During the bidding process, do not:

- Discuss employment or business opportunities with agency procurement officials at the Company.
- Offer or give gratuities or anything of value to any agency procurement official.
- Seek to obtain any confidential information about the selection criteria before the contract is awarded; this includes information submitted by other companies.

## 4.3 When the Government is Our Client

**Q.** I have been contacted by a member of law enforcement requesting information about our Company. What should I do?

**A.** Before you provide any information, promptly notify our Legal Department for an evaluation of the request, including whether a subpoena is required for disclosure. Explain to the individual that Company policy requires notification of the Legal Department before any information is provided.

### Vital Sign

We cooperate with all reasonable requests for information from governmental agencies.

**For more information, consult the following Company Policies:**

- Cooperating with the Government Policy
- Gifts, Awards and Perquisites Policy

### *Our Standard*

When we act as a government contractor or subcontractor, we have a special obligation to the government, the beneficiaries of government programs, employees of government entities and the public at large to ensure that we perform with the highest degree of integrity. There are also many new laws, regulations and Marketplace Requirements pertaining to our business under the Affordable Care Act. Part of that obligation is understanding and complying with the additional requirements of government contracts.

### *Your Duties*

In your role, you may directly or indirectly perform work related to government contracts, e.g., Indian Health Service, Medicaid and Medicare, state or municipal government employee benefit programs. You may also perform work related to the Affordable Care Act. It is your job to:

- Know the terms of the government contract(s) that we are working on and all of the policies, procedures and corporate standards relating to those contracts. This includes understanding and meeting all deadlines in a timely manner.
- Understand the regulatory requirements that impact your job.
- Understand that you may be required to sign certifications, either internal or to the government, regarding the accuracy of information or the Company's performance.
- Work with the Legal, Audit and/or Compliance Departments on information requests, and treat any such requests for information from the government as one of your highest priorities. Respond to these requests within the requested timeframe and with information that is complete and accurate.

- If you have any doubt regarding the Company's performance under a government contract, come forward immediately.

If you need guidance or want to report a concern, you may call the toll-free [Corporate Integrity HOTLINE](#) (1-800-838-2552). This service is also available to subcontractors, agents and directors. You may call anonymously, without fear of intimidation or retaliation. Calls are not traced and information is treated confidentially, subject to legal limits. The hotline is available 24 hours a day, 7 days a week and is not staffed by employees of HCSC or its subsidiaries.

Doing business with the government is unique, and special statutes and regulations apply, even those that are "flowed down" to us as a contractor or subcontractor. Following is a general summary of what you must do and what you must not do under some of these legal and contractual provisions of our government contracts.

### When Bidding on Government Contracts

#### Do:

Remember that the rules are designed to promote a fair and competitive bid process.

Read the request for proposal and/or bid instructions in their entirety and abide by their terms.

Submit pricing data that contains all the facts that a buyer and seller would expect to affect price.



Communicate with the government agency only through approved communication channels.

Be aware of any "quiet period" limitations imposed in the Request for Proposal (RFP).

Be aware of limitations on political contributions and lobbying while a RFP is pending.

#### Do not:

Offer or give gifts to any procurement official or make promises of future employment to government employees not involved in the bid.

Obtain non-public bid information such as cost or price data, proprietary information, or information a government entity has not provided to all bidders prior to the award of the contract.

Exchange information with a competitor or discuss a bid with a competitor.

See also [Kickbacks](#).

### In Performance of Our Government Contracts

#### Do:

Obtain necessary written approvals before using information for any purpose other than what is allowed under our government contracts. Protect individuals' personal information by limiting its collection and disclosure to only what is legally authorized and necessary.

Protect the confidentiality of beneficiary records by not disclosing any government assistance that a beneficiary may have received related to the treatment, diagnosis or prognosis of substance abuse.

Honor appropriate requests from the public for government records that we create and maintain.

Provide required evaluations and reports regarding our internal accounting and administrative controls including compliance with the law, reasonable assurance and safeguards, etc.

Respond to all inquiries from the government, either directly when inquiries are routine, or through Audit, Legal or Compliance staff, in a manner that is timely, accurate and complete.

#### **Do not:**

Offer or accept any form of kickback, e.g., money, fee, commission, credit, gift, gratuity or thing of value for improperly obtaining or rewarding favorable treatment, including unwarranted waivers of deadlines and acceptance of non-conforming goods in connection with a prime contract or subcontract.

Submit false or fraudulent claims for payment with actual knowledge of falsity, reckless disregard for the truth or deliberate ignorance of the truth or falsity.

Make any false statements or representations.

Hire or do business with individuals or entities that have been suspended, debarred or excluded from participation in federal health care programs.

#### **In Our Workplace**

##### **Do:**

Maintain a drug-free workplace by prohibiting the manufacture, distribution, possession or use of narcotics, drugs or controlled substances in the workplace or while conducting Company business.

Ensure that applicants, employees and contingent workers are treated fairly without regard to their race, color, creed, religion, sex (including pregnancy, childbirth or related medical conditions), age, ethnicity, national origin and

identity, mental or physical disability (including HIV and AIDS), veteran status, family status, sexual orientation, gender identity or expression, genetic information or other categories defined by federal, state or local law. Eliminate any impediments to equal employment opportunities.

Ensure that veterans and disabled veterans are provided equal employment opportunities.

#### **Do not:**

Discriminate against individuals in the terms and conditions of employment based on race, color, religion, sex, ethnicity, national origin and identity, age, mental or physical disability (including HIV and AIDS), pregnancy, protected veteran status, marital status, sexual orientation, gender identity and expressions, genetic information, or other categories defined by federal, state or local law.

Discriminate against individuals in the terms and conditions of employment based on disability or perceived disability.

Offer to hire, hire or do business with current or former government employees unless the transaction has been vetted by Legal and the Ethics and Compliance Department.

Failure to comply with these laws, government contracts and Company policies and procedures can:

- Jeopardize the Company's ability to participate in any government program
- Result in the loss of a particular government contract
- Require the Company to contact appropriate law enforcement authorities, a government agency or others, which could lead to criminal or civil prosecution of both you and the Company
- Subject you to the full range of disciplinary actions, up to and including termination

**Q.** I have a friendly working relationship with a government client and would like to give him a \$25 gift certificate to a restaurant that I can't use. Since it's a small amount, and I'm not asking for special treatment, it's OK, isn't it?

**A.** No. We are prohibited from giving or accepting cash or cash equivalents from a government client, regardless of the dollar amount. This action could suggest that you are seeking favors or special treatment.

**Q.** I am concerned that a colleague who works with me on a government contract is involved in the submission of false Medicare claims. What should I do?

**A.** Bring your concerns to your Supervisor or call the Corporate Integrity HOTLINE (1-800-838-2552), where you may report your concerns anonymously and without fear of retribution.



## Vital Sign

We understand and uphold our special obligations when working for government clients.

**For more information, consult the following Company Policies and Resources:**

- Cooperating with the Government Policy
- Anti-Harassment Policy
- Gifts, Awards and Perquisites Policy
- Confidential Information Policy
- Alcohol Free and Drug Free Workplace Policy
- Privacy Authorization Policy
- Workforce Diversity and Inclusion Policy
- Equal Opportunity and Employment Policy
- Education programs on doing business with government entities, bidding for contracts with public employers, and gifts and entertainment located in myLearning



## Success Through Excellence

We believe that extraordinary results are no accident. They are the result of hard work, determination, attention to accuracy and a commitment to quality at every turn.



## 5.1

## Accuracy of Records

*Our Standard*

Our business records are of critical importance to our Company's decision-making processes. We believe in being accurate and complete in preparing these records and in fulfilling our financial, legal and reporting obligations.

*Your Duties*

Accuracy and reliability means never misrepresenting facts or falsifying or suppressing records. Another important responsibility is proper maintenance of records for the retention periods required by Company policy and our Enterprise Records Retention Schedule (ERRS).

**Recordkeeping and Reporting**

To ensure the integrity of our records and reporting:

- Ensure that all Company records, including business expense accounts, vouchers, bills, payrolls, service records, sales reports, timesheets, benefit selections, operating statistics and measurements and other performance and utilization records, whether electronic or on paper, are reliable, timely, accurate and complete.
- Promptly and accurately enter transactions between the Company and outside individuals and organizations in Company records according to our corporate policies and procedures.
- Do not alter or make false entries on, any Company record or document, or facilitate the creation of false or misleading records of any covered groups, vendors or business partner. Such entries are unlawful and could subject the Company and possibly you to fines and other civil or criminal penalties.
- If you are unsure if information is accurate or reliable, or you are being asked to help create false or misleading records for anyone, verify it or contact your Supervisor for advice.

- Charge all items to the appropriate account, regardless of the financial status of the line of business, contract or cost center.
- Never maintain secret or unrecorded funds.
- When errors are found, follow appropriate Company procedures to ensure that they are corrected through credits, refunds or other mutually acceptable means.

Never take steps to impede, obstruct, improperly influence or affect the integrity or availability of any audit, review or investigation, whether it is performed by government, external or internal personnel.

**Records and Information Management**

You are required to preserve and dispose of Company records in accordance with our records and information management policies and the Enterprise Records Retention Schedule (ERRS). Also keep in mind that you must comply with Legal or Tax Holds that may require different retention periods than those in the ERRS. It is especially important to be aware of any unique retention requirements for government business, as some are covered by special regulations. If you have any questions about records retention, please contact your department's Records Liaison or the Records and Information Management Department.

**Report Certifications**

You may be asked to sign a Report Certification, which demonstrates HCSC's commitment to the integrity, accuracy and timeliness of its reports and disclosures. These Certifications are vitally important because they:

- Establish a written record to support the accuracy and completeness of reports.
- Document that information submitted has been reviewed and is accurate to the best knowledge of the certifier.

- Encourage disclosure of any issues via the “Exceptions” section of the certification.
- Provide a vehicle for feedback to management on identified exceptions.

Certifications are submitted to Audit Services, which is an administrator for Financial, Government and Performance Guarantee report certification programs. If you have questions about the report certification process, contact the [Divisional Senior Vice President of Audit and Enterprise Governance](#) or another [Corporate Resource](#). Or call the [Corporate Integrity HOTLINE](#) to anonymously report your concerns regarding financial reporting, internal accounting controls or auditing matters.

**Q.** I am concerned about the accuracy of the reports we are providing to some of our large groups that have performance guarantee requirements. What should I do?

**A.** Discuss your concerns with your Supervisor to make sure you understand reporting requirements. You may also contact the Legal Department or another Corporate Resource. Misstating results could damage our reputation and relationship with these groups. Many larger groups audit performance guarantee results, so accuracy is critical. False reporting may result in civil and/or criminal liability.

**Q.** How will I know if a document that the Company schedules for destruction is relevant to a pending investigation, audit or litigation?

**A.** When the Company becomes aware of a possible legal proceeding, audit or investigation, the Legal Department circulates a memo identifying which records are relevant and may not be destroyed. If you receive such a memo, promptly notify your Supervisor.

**Q.** We are closing with a large group account. Our contact says it would “seal the deal” if we delayed the first month’s billing by 30 days, so they can show a large profit in the current month. The billing would be recorded appropriately on our books. Is this allowable?

**A.** While our financial records might be stated correctly, you may never assist a current or potential business partner to misstate their reporting.



## 5.2

### Quality of Service

**Q.** What should I do if I have completed a financial report, and someone wants to make changes which I believe will result in inaccurate information?

**A.** Discuss your concerns with your Supervisor to review the reasons for the proposed changes. If you still have concerns, contact the Chief Ethics and Compliance Officer or another Corporate Resource.

#### Vital Sign

We preserve and maintain Company records in accordance with the Company's records and information management policies.

**For more information, consult the following Company Policies:**

- Accuracy of Records Policy
- Corporate Records and Information Management Policy
- Enterprise Records Retention Schedule

#### *Our Standard*

Our customers are the reason we are in business. Because of them, we are committed to providing products and services of the highest quality and value.

#### *Your Duties*

In providing our services to both external and internal customers, strive to:

- Provide prompt and accurate services consistent with contractual benefits, corporate policies and regulatory requirements.
- Serve our customers professionally and with integrity, honesty and respect.
- Pay all contractual benefits due Covered Persons and Providers promptly and accurately.
- Comply with all applicable statutes, regulations and instructions that govern the administration of benefit programs.
- Never engage in "Call Avoidance." This is any intentional act to include manipulating our systems (headset, computer, keyboard, phone or other system) to delay or avoid taking a call from a member, provider or third party. Call Avoidance violates our Code of Ethics and Conduct and will not be tolerated. Corrective action will be taken, up to and including termination.
- Every day, work towards finding new ways to increase the quality of service delivered to our customers while ensuring that it is delivered in a cost-effective manner.



**Q.** I work in customer service as a customer service representative (CSR). We are measured on our average speed of answer (ASA), or “how long it takes to answer a call.” I have heard that a co-worker answers a call, and then hangs up in an attempt to lower her ASA. I know it is wrong to hang up on a caller, but I understand why she feels pressured to do so. I am torn – what should I do?

**A.** Purposely hanging up on a caller violates every one of HCSC’s core values and leads to misleading reporting. Report such behavior and other concerns to your Supervisor or another Corporate Resource.

**Q.** I overheard a co-worker being rude to a customer. When the caller asked for his name, he refused to give it and disconnected the caller. Should I report this to my Supervisor?

**A.** Yes. Our customers are important to us. We always want to serve them courteously. Your Supervisor will want to contact the customer, apologize and address the concern appropriately. He or she will also counsel the co-worker to prevent similar situations in the future.

### Vital Sign

We continually seek new ways to increase the quality of service we provide to our customers while delivering it in a cost-effective manner.

**For more information, consult the following Company Policies:**

- Accuracy of Records Policy
- Compliance with the Law Policy

## Success Through Caring

We believe that people are the very heart of our business – our members, our workers and the communities we serve. Caring about people is what sets our Company apart. We look for ways to demonstrate that care through the service we provide and the way we interact with others.

## 6.1

## Political Activity

*Our Standard*

We believe it is important for our Company and our workers to be engaged in the political process, as permitted by law. While federal laws restrict the use of corporate funds in connection with federal elections, and there are similar laws in some states, HCSC can support permissible political activities, including paying the administrative expenses of sponsoring a separated segregated fund, like the Health Care Service Corporation Employees' Political Action Committee (HCSC PAC), which pools voluntary contributions of employees to support candidates for federal, state and local office. Therefore, we do not use our name, funds or facilities on behalf of political candidates, political parties or elected office holders at any level, (federal, state or local), except as permitted by law and our Political Activity Policy.

*Your Duties***Political Activity on Personal Time**

We encourage you to vote and participate fully in the political process, but it is important for you to understand our policies regarding our Company and political activity. Remember:

- The Company will not reimburse you for personal contributions to political candidates or the HCSC PAC, including any expenses related to personal political contributions (e.g., travel or meals).
- You may not use Company resources to vote and take part in political activities, except as permitted by Company policy and the political programs sponsored by the Company.
- While we encourage non-corporate political activity, it must be done on personal time and at your own expense.
- Our Company complies with all state and federal laws entitling you to take "time off" for voting.
- You may speak at a local meeting or event as long as you make it clear that you are speaking for yourself, and not as an official spokesperson for our Company. If you are asked to represent our Company in a formal capacity, get approval from your EVP/SVP, who will advise you if you need to review your proposed presentation with HCSC's Government Relations Department.

**The HCSC PAC**

If you are an eligible salaried employee, you may voluntarily participate in the Company's Political Action Committee, the HCSC PAC. Under federal election campaign laws, our Company can pay the costs necessary to establish and operate the HCSC PAC that complies with Company policy and with federal and/or state legal requirements.

**Employee Political Engagement**

HCSC's Government Relations Department and our management may occasionally distribute memos or sponsor activities to bring political and public policy issues to your attention. These activities may involve public officials or political candidates. They are intended to encourage employee participation in the public policy dialogue, but they do not constitute endorsement of a particular candidate, officeholder or political party. We afford equal opportunity to all rival candidates and political parties.

**Q.** May I occasionally do some personal volunteer work monitoring election practices during various municipal, state and federal elections?

**A.** Employees may use PTO days to work as a volunteer in the election-related activities mentioned. However, the Company will not reimburse any expenses you incur.

**Q.** I just received an email announcing that a candidate for office will be speaking in our building to employees. Doesn't that violate our Code by using the building for political purposes?

**A.** Provided all rival candidates or political parties are offered equal access, this does not constitute endorsement of a particular candidacy and is not a violation of our Code.

**Q.** HCSC's Government Relations Department sent out an email urging employees to contact members of the Legislature to oppose a specific piece of legislation. They say the bill would hurt our Company. Isn't that a violation of the Code?

**A.** No. Public policy issues differ from political endorsements. Our ability to operate effectively depends upon fair and equitable legislation and regulation at both the state and federal levels. It is important that our Company and our employees are heard on these issues. However, while the Company may encourage such employee participation, it is always voluntary.

### **Vital Sign**

We believe it is important to participate in the political process, and our Company honors all laws regulating corporate involvement in political activities.

**For more information, consult the following Company Policies:**

- Political Activity Policy
- Cooperating with the Government Policy
- Political Action Committee Policy



## 6.2 Corporate Contributions, Volunteerism and Fundraising

### Our Standard

Our Company is committed to good corporate citizenship and corporate social responsiveness. We believe in supporting the well-being of the communities we serve through a Corporate Contributions Program.

The objective of this program is to help improve community health, support community initiatives and position HCSC and its Divisions as a proactive member of the community through grants and sponsorships. In responding to requests for corporate contributions, we give consideration to alternatives, including in-kind support and employee volunteerism, which helps build our brand and position our Company for growth.

### Your Duties

Many of our employees are involved in their own volunteer activities. They may also become involved with 501(c)(3) non-profit organizations, helping them raise money. Our Company supports all corporate volunteer activity as long as it is aligned with our goals, strategy, mission and relationship building. Engagement with strategic community partner non-profit organizations benefits both parties and demonstrates our strong commitment to the communities in which we do business. When you volunteer, remember:

- To request our Company's support for the organization you are involved with, employees may submit a request through our online application process. A state public affairs team will review the request.
- Do not engage in fundraising at work. Unless approved by senior leadership, any fundraising must take place during non-working time, in non-working areas only. It must also be coordinated by employee Supervisors.

- Our Company financially matches employee volunteer efforts. For every verified volunteer hour employees spend with a community partner – or with a 501(c)(3) for corporate volunteer events – HCSC contributes \$20 per hour to the designated organization, not to exceed a total annual contribution of \$2,000.
- If you need more information regarding our policies about contributions, volunteering and fundraising, refer to our Corporate Contributions Policy and Corporate Volunteerism and Fundraising Policy.



## A Final Word

### Q. Can I pay for community events through my cost center?

A. All contributions need to be coordinated through the appropriate state public affairs department in addition to being documented in our contributions database, MicroEdge Gifts.

### Q. How do I learn about volunteer opportunities?

A. Please view Time Money Things on FYIBlue to learn about all community events and activities within your state and location.

### Vital Sign

Being good corporate citizens is an important part of HCSC's work, and we support our employees' efforts to volunteer in support of their communities.

**For more information, consult the following Company Policies:**

- Corporate Volunteerism and Fundraising Policy
- Corporate Contributions Policy

This Code of Ethics and Conduct reflects our Company's commitment to the highest ethical standards of legal and ethical business conduct. It does not contain all Company policies or include all details regarding any policy. Rather, the Code sets forth the fundamental legal and ethical principles for conducting all aspects of Company business. Detailed policies, procedures and corporate standards for conducting Company business are contained in:

- The Corporate Integrity and Compliance Program Charter
- The Corporate Policy Manual
- Human Resources (HR) Policies
- The Corporate Privacy Policies and Procedures
- Regulatory Oversight Policies and Procedures
- The Corporate Security Policies and Procedures
- Other Company manuals, instructions and directions applicable to particular job functions, all of which are available to the Company's employees and contingent workers

Nothing contained in the Code of Ethics and Conduct constitutes a contract of employment, and it should not be construed as creating an express or implied contract of employment or continued employment. The Company reserves the right to modify the Code of Ethics and Conduct at any time as it deems appropriate.

## Helpful Resources

For a comprehensive list of resources, visit [http://hcsc.fyiblu.com/policies/compliance/compliance\\_resources/corporate\\_resources.htm](http://hcsc.fyiblu.com/policies/compliance/compliance_resources/corporate_resources.htm) or the published Corporate Resource at your site.

Issues or Concerns	Contact	Contact Information
To make an anonymous report	Corporate Integrity HOTLINE	Call toll-free: 1-800-838-2552 24 hours a day, 7 days a week Or go online at: <a href="http://hcsc.alertline.com">hcsc.alertline.com</a>
To ask questions about or report violations of the Code	Ethics and Compliance Department	<b>Tom Lubben</b> SVP and Chief Ethics and Compliance Officer (312) 653-7934  <b>Vera Malone</b> VP, Corporate Ethics and Compliance (312) 653-2420  <b>Patti Gedminas</b> Senior Performance Consultant (312) 653-7421
To report an issue involving a government program	Government Programs Compliance	<b>Kim Green</b> VP Government Programs Compliance and Government Programs Compliance Officer (312) 653-5110  <b>Teresa Johnson</b> Government Programs Consultant (312) 653-5588
To report any suspicious activity or unsafe conditions	Office of Corporate Protection and Security	<b>Gerry Cavis</b> VP Corporate Protection and Security (312) 653-6528  <b>Tom Bourgeois</b> Executive Director, Corporate Protection and Security (312) 653-5785

For assistance with questions or concerns about the work environment, work relationships, performance management and development	Human Resources	Contact AskHR to view additional Workforce Solutions resources or contact:  <b>Cristina Siepel</b> Executive Director, Workforce Solutions (312) 653-6041
If you suspect or know about an information security incident	HealthTech Security	Contact <b>HCSC's Cyber Fusion Center</b> at (972) 996-9866 (toll free) or email: <a href="mailto:reportsecurityincident@hcsc.net">reportsecurityincident@hcsc.net</a>  <b>Kevin Charest</b> Chief Information Security Officer (312) 653-6683  <b>Victor Sturgeon</b> Executive Director, Cyber Defense and Investigation (312) 653-0921  <a href="#">Divisional Security Officers (DSOs)</a> The DSO is the senior information security official in the division.
To address all Privacy inquiries, incidents and complaints	Privacy Office (PO)	<b>Debbie Hayes</b> DVP, HCSC Privacy Office (312) 653-6526  <b>Andrew Wylie</b> Privacy Office Administrator (312) 653-4517

## Helpful Resources

To speak with someone regarding HCSC's enterprise-wide obligations	Internal Audit	<b>Joe Danahy</b> DSVP, Internal Audit and Enterprise Governance (312) 653-6669  <b>Steven Mores</b> Senior Manager, Internal Audit (312) 653-3992
For internal and external allegations of suspected fraud, waste and abuse	Special Investigations Department (SID)	Report anonymously to the SID Fraud Hotline at (800) 543-0867  <b>Bill Monroe</b> Vice President, Special Investigations (312) 653-5348  <b>Lynn O'Dea</b> Senior Director, Special Investigations (312) 653-3579
To locate a specific attorney or to assist with a legal matter	Legal Division	For more information, visit the Legal Department website or contact:  <b>Karen Quirk</b> Chief Litigation Officer (312) 653-6540
For notable enterprise emerging risks or opportunities	Enterprise Risk Management	<b>Kristin Conley</b> Chief Risk Officer (312) 653-5829  <b>Richard Ellis</b> Executive Director (312) 653-6848

For questions, issues or concerns regarding HCSC's subsidiary companies	Subsidiary Contacts	<b>Dearborn National (HR)</b> <b>Syeda Soofia</b> Sr. Director, Human Resources (630) 458-2254  <b>Dearborn National</b> <b>Jacalyn Pilger</b> HR Generalist (630) 458-5612  <b>Dearborn National (Regulatory and Compliance Issues)</b> <b>Kathy Larkin</b> Sr. Manager Regulatory Oversight & Compliance (248) 327-5276  <b>Dearborn National (Regulatory and Compliance Issues)</b> <b>Teta Gangemi</b> Senior Regulatory Specialist (248) 327-5155  <b>Innovista</b> <b>Terese Feeney</b> Chief Administrative Officer (312) 809-5011  <b>MEDecision</b> <b>Jennifer Ponski</b> EVP, Chief Administrative Officer (972) 388-3977
---	---------------------	--

If you have any questions concerning any part of the Code, contact your Supervisor, a higher level Supervisor, any of the Corporate Resources or call the Corporate Integrity HOTLINE at 1-800-838-2552.