

## **AultCare Health Insuring Corporation dba PrimeTime Health Plan**

### **Code of Business Conduct and Ethics**

#### **Introduction**

The reputation and integrity of AultCare Insurance Company, AultCare Health Insuring Corporation dba PrimeTime Health Plan, AultCare Corporation, Aultra Administrative Group, and AultComp MCO, Inc. (the "Company") are valuable assets critical to the Company's success in delivering high quality services to our members. Each employee of the Company is responsible for conducting the Company's business in a manner that is consistent with a commitment to the highest standards of integrity and professionalism. This Code of Business Conduct and Ethics ("the Code") is intended to help employees recognize areas of ethical risk, and to deal appropriately with ethical issues in all areas of Company operations. It is also intended as a means of fostering a culture of honesty and accountability among all employees in the general conduct of the Company's business.

Toward that end, the Company's Boards of Directors adopted the Code as a means of governing the manner in which the Company's employees, officers, and directors conduct business activities on behalf of the Company. Every employee, officer, and director whose duties include activities covered by this Code must adhere to the Code at all times. The Code is applicable and binding upon all employees, officers, and directors of the Company. Any employee, officer, or director who is in doubt about any aspect of this Code should contact his or her immediate supervisor, the Company's Compliance Officer, or the Company's Legal Affairs Department. The Company's continued success is directly related to our ability to deliver quality services and the ability of our employees, officers, and directors to conduct themselves in accordance with the highest standards of business ethics and the law.

#### **Mission and Values**

The Company is committed to providing quality, cost-effective services to members of all product lines. We operate transparently; demonstrating openness, cooperation, honesty, and integrity in our day-to-day relationships with members, providers, regulatory agencies, law enforcement agencies, contractors, and vendors.

#### ***Respect***

The Company will respect each member's dignity, privacy and member rights and we will treat each member with consideration, courtesy, dignity, privacy and respect in a culturally sensitive manner.

#### ***Fairness***

The Company will uphold each member's right to receive quality services without

discrimination based on race, creed, gender, national origin, sexual orientation, disability, age, physical or mental handicap or disability, type of illness or condition, or need for health services.

### **Quality**

The Company will be attentive in the evaluation of our health delivery service programs to ensure we are meeting or exceeding standards of practice.

### **General Compliance**

Employees must report any activity or conduct believed to be in violation of this Code of Conduct or any Federal, State or local law, regulation, or ethical standard. Any employee found to have knowledge of such activity or conduct, but failed to report it, may be subject to disciplinary action, up to and including termination. Reports of non-compliance or suspected non-compliance should be based on facts and objective information only, and will be treated with complete anonymity. Reporting actual or suspected violations should be done in accordance with the recommendations outlined in the Compliance Procedures section of this Code of Conduct.

### **Legal Compliance**

The Company is required to comply with many laws and regulations at the Federal, State and local levels. Employees are under a continuing obligation to familiarize themselves with any and all legal requirements that affect the performance of their job duties and to keep abreast of changes and revisions to legal requirements and regulatory policy. Employees shall take all steps necessary to ensure that all activities undertaken by or on behalf of the Company are in compliance with all applicable Federal, State and local laws and regulations. Some of the laws and regulatory requirements that pertain to the Company's products include, but are not limited to:

- Federal False Claims Act
- Federal Anti-Kickback Statute
- Health Insurance Portability and Accountability Act (HIPAA)
- Code of Federal Regulations, specifically 42 C.F.R. § 400 (Medicare Program), § 403 (Medicare Supplemental Policies), § 411 (Stark Regulations), § 417 (Qualified HMO Plans), § 422 (Medicare Advantage Plans), § 423 (Medicare Prescription Drug Benefit), § 1001 (Anti-Kickback Regulations) and 1003 (Civil Money Penalties, Assessments and Exclusions)
- Regulatory guidance produced by the Centers for Medicare and Medicaid Services (CMS), including requirements in the Medicare Managed Care Manual

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(MMCM) and the Prescription Drug Benefit Manual (PDBM), as well as all other policy guidance.

- Applicable State laws, including Ohio Revised Code Title 39, Insurance, Chapter 17, Health Insuring Corporations, and Chapter 4123, Workers' Compensation, and the corresponding regulations in the Ohio Administrative Code. Contractual obligations and commitments Health Care Consumer Bill of Rights and Responsibilities ("Patients' Bill of Rights") in accordance with the U.S. Office of Personnel Management (OPM) guidance.

Obeying the law is the foundation on which the Company's ethical standards are built. If a law conflicts with a policy in this Code, employees must first comply with the law. Violation of the standards in this Code may result in disciplinary action, up to and including termination. Moreover, violations of this Code may also be violations of the law and may result in civil or criminal penalties for employees, their supervisors, and/or the Company. Employees who encounter a situation that may violate, or lead to a violation of, this Code should immediately seek guidance from their supervisor and/or the Company's Compliance Officer.

- Compliance/FWA Hotline: <https://aultcarethp.alertline.com> or 1.866.307.3528

### **Government Relationships**

As a regulated health services organization, the Company is regulated by various State and Federal laws and regulations and is subject to significant oversight by The Centers for Medicare & Medicaid Services (CMS).

Since the Government is our partner in many regularly recurring business dealings, it is critically important that all interactions with the Government be conducted in an honest and ethical manner. Particular care must be applied in the area of Medicare law, regulation and Program policy. Some of the entities that create and enforce the laws, regulations and standards that apply to the Company's Medicare Plans are:

- U.S. Congress
- U.S. Department of Health and Human Services (DHHS)
- U.S. Centers for Medicare & Medicaid Services (CMS)
- U.S. Attorney General (USAG)
- U.S. Department of Justice (DOJ)
- U.S. Office of the Inspector General (OIG)
- Ohio State Legislature
- Ohio Department of Health Services (DHS)
- State Attorney General's Offices (AG)
- Ohio Bureau of Workers' Compensation

When dealing with the Government, employees must:

- Ensure compliance with all Federal, State and local laws and regulations.
- Show appropriate respect to Government and regulatory officials.
- Cooperate with all reasonable requests for information, as directed by the Company's Legal Affairs Department, and provide accurate and truthful responses in a timely manner.
- Safeguard and protect confidential Government information. Notify the Company's Compliance Department of any information requests stemming from government investigations or legal proceedings.
- Never lie or make false or misleading statements of any kind to any government agency or official, or induce or attempt to induce anyone working on behalf of the Company to do the same.
- Never attempt to alter or destroy documents or other information in connection with a request from a Government agency or court.
- Never attempt to obstruct or improperly influence the outcome of any investigation or review by a Government agency or law enforcement official.
- The U.S. Government has a number of laws and regulations regarding business gratuities that may be accepted by U.S. Government personnel. The promise, offer or delivery to an official or employee of the U.S. Government of a gift, favor or other gratuity in violation of these rules not only violates Company policy but may also be a civil or criminal offense. State and local governments often have similar rules, and employees are required to strictly adhere to any such rules.

### **Business Relationships**

Our employees are the Company's most valuable assets, and our success as a business depends critically on the commitment of all employees to conduct themselves honestly and professionally and treat everyone with whom they interact with appropriate respect and courtesy.

The Company is committed to maintaining a safe and healthy work environment and promoting the highest level of professionalism in all of our internal and external business relationships. Employees have a right to a workplace that is free from harassment, discrimination, and offensive or threatening behavior, and in turn are expected to avoid discriminating against anyone on the basis of position, age, family status, race, ethnicity, gender, sexual orientation, religion or national origin.

### **Business Ethics**

The Company is committed to maintaining the highest standards of business ethics and

integrity in all its dealings. Employees must conduct their activities on behalf of the accordingly, and may not engage in any activity or scheme intended to defraud anyone of money, property, or honest services.

The Company requires employees, officers, and directors to perform their job responsibilities with respect, honesty, and integrity. These ethical standards are also required in communications with fellow employees, members, clients, providers, regulators, contractors, vendors, and auditors. No employee shall make false or misleading statements to any member, person, or entity doing business with the Company about other members, persons, or entities doing business or competing with the Company, or about the products or services of the Company or its competitors.

### **Confidentiality**

The Company recognizes its obligation and responsibility to actively protect and safeguard confidential, sensitive, and proprietary information of members, clients, vendors, providers, and the Company. Much of the information that the Company reviews, uses or discloses, is protected by the Privacy Act of 1974, the Health Insurance Portability and Accountability Act of 1996 (HIPAA), and other Federal and State laws, or is of a proprietary nature. Consequently, this information requires the highest degree of confidentiality. Any unauthorized disclosure of confidential information, medical or otherwise, regarding any member, employee, client, vendor, or business practice is prohibited. Employees are responsible for ensuring that confidential information is stored in secure company systems. Authorized users of confidential information are responsible for preventing unauthorized access to confidential information, whether stored on paper or electronically.

Confidential information must be handled strictly in accordance with all Federal and State laws and regulations, and may never be revealed to a third party unless authorized or required by legitimate business purposes. This applies to personally identifiable member information, medical records, and information about services and/or claims. Employees are prohibited from having access to confidential information that is not necessary to the performance of their job duties, and must immediately notify their supervisor if they believe they have inappropriate access to such confidential information.

The Company's proprietary business information is critical to its success and must be carefully protected at all times. This includes information about Company finances, business strategies, employee or third party negotiations, payment and reimbursement information, and member and vendor lists. Employees who do not have a need to know such information to perform their duties should not have access to it. Every employee must protect the Company's intellectual property, including all patents, trademarks, copyrights, and software, and must not share personal passwords and other security codes used to securely access Company information.

All employee information, including but not limited to, personnel and payroll information, must be treated as strictly confidential, and must be maintained in accordance with all applicable Federal, State and local laws and regulations.

## **Conflict of Interest**

Employees are agents of the Company and are required to conduct themselves in a manner that supports the best interests of the Company. Employees must not use their position at the Company for personal gain or to enrich others at the Company's expense. Any associations, interests and business relationships that an employee may have that might cause him or her to act in ways that are not in the best interests of the Company, or that might be perceived to cause divided loyalties, will be permitted only with the Company's approval.

Employees are expected to manage their activities so as to avoid actual impropriety or the appearance of impropriety that might arise from the influence of those activities on business decisions of the Company, or from disclosure or private use of business affairs, plans or assets of the Company. Conflicts of interest arise when an employee's personal or financial relationships with other people or businesses create the potential for the employee or others to profit financially or otherwise at the Company's expense. Any time the possibility of a conflict of interest arises, employees must seek guidance from their supervisor and/or the Compliance Department.

Some areas involving potential conflicts of interest include:

### ***Family and Financial Relationships***

A conflict of interest may arise if an employee, an employee's business partner, or a member of an employee's family owns or has a substantial direct or indirect investment in an entity with which the Company has or is likely to have a business relationship, or with which the Company competes or is likely to compete. Investment in small amounts of stock or bonds of a large publicly-held corporation should not, in of itself, give rise to any conflict of interest. However, each situation is unique and will be evaluated on a case-by-case basis.

Employees are not permitted to supervise a family member, or a department in which a family member works, or to directly conduct business with a family member employed by a competitor, provider, or vendor.

### ***Outside Activities or Employment***

Employees' participation in any outside association, including activities with other entities, should not encroach on the time and attention the employee is expected to devote to his or her duties and responsibilities to the Company, adversely affect the quality or quantity of his or her work product or entail use of any of the Company's assets, including its real and personal property, or imply, without the Company's

approval, the Company's sponsorship or support. In addition, under no circumstances are employees permitted to compete with the Company, or take for themselves or family members any business opportunity that belongs to the Company that might be discovered or made available to the employee by virtue of his or her position with the Company.

Employees are prohibited from taking part in any outside employment or interlocking affiliation without the Company's prior approval. This includes performing duties or rendering services for any competitor, member, provider, vendor, agency, or any organization doing or seeking to do business with the Company. Employees may not be a member of the Board of Directors of a competitor, provider, or vendor.

### ***Gifts and Entertainment***

Employees may not accept, without the Company's approval, either directly or indirectly, gifts from members, competitors, providers, vendors, agencies, clients or persons or entities with which the Company has or is likely to have a business relationship. A "gift" includes any type of gratuity, favor, service, discount or price concession, loan, fee, compensation, cash, securities, real property, or anything of monetary value. If an employee receives anything of value, directly or indirectly, from persons or entities with which the Company has or is likely to have a business relationship, including a customer or supplier, he or she is required to promptly notify the Company's Compliance Department. Gifts of nominal value generally will be approved by the Compliance Department, depending on the circumstances.

Employees are encouraged to participate in social activities with those with whom the Company maintains business relationships, and participating occasionally in such activities will not violate this Code so long as they are reasonable and customary types of social activities in a business context. However, employees may not solicit for themselves or for another person anything of value from anyone in return for any business, service or confidential information of the Company or its members or providers, or accept anything of value other than salary or other compensation paid by the Company from anyone in connection with the Company's business, either before or after a transaction is discussed or completed.

### ***Business Inducement***

Employees will not seek to gain any advantage through the improper use of payments, business courtesies or other inducements. Offering, giving, soliciting, or receiving any form of bribe or other improper payment is strictly prohibited.

## **Lobbying and Political Activity**

No employee, officer, or director may enter into any agreement to contribute any money, property, or services of any officer, director, or employee at the Company's expense to any political candidate, party, organization, committee, or individual in violation of any applicable law. Officers, directors, and employees may personally participate in and contribute to political organizations or campaigns, but they must do so as individuals, not as representatives of the Company, and they must use their own funds and not participate during hours of employment.

No employee, officer, or director shall engage in propaganda or otherwise attempt to influence legislation, except as otherwise permitted in accordance with Section 501(h) of the Internal Revenue Code of 1986, as that section now exists or may subsequently be amended (or the corresponding provision of any future United States Internal Revenue Law). The Company shall not participate in, or intervene in, any political campaign, including the publication or distribution of statements, on behalf of any candidate for public office.

All employees shall follow applicable local, state and federal regulations regarding lobbying and gifting to public officials.

## **Protection of Assets**

All employees, officers and directors should protect the Company's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the Company's profitability. All Company assets are to be used for legitimate Company purposes. Any suspected incident of fraud or theft should be immediately reported for investigation. Company assets should not be used for non-Company business.

Internet use on Company time is authorized to conduct Company business only. Internet use brings the possibility of breaches to the security of the Company's information systems. Internet use also creates the possibility of contamination to the Company's information systems via viruses or spyware. Spyware in particular may allow unauthorized people outside the Company potential access to Company passwords and other confidential information. Removing viruses and spyware from the Company network requires IT staff to invest time and attention that is better devoted to more productive purposes. For these reasons, and to assure the appropriate use of the Company's human resources, employees are required to limit Internet use to those activities that directly support the completion of their job duties.

Email is to be used for Company business only. The Company's confidential information must never be shared outside of the Company without authorization. Employees are not permitted to conduct personal business using Company-provided computers or email. Non-business related emails waste company time and attention and must be kept to a minimum. Viewing pornography, or sending pornographic jokes or stories via email, is considered sexual harassment and will be addressed according to the Company's sexual harassment policy.



## **Information Management**

Employees will ensure the integrity of the Company's business operations by accurately and truthfully recording all Company information by strictly following established accounting and business practices. Employees will ensure that company records are adequately and accurately documented and accessible, but also properly safeguarded. Accuracy and reliability in the preparation of all business records is mandated by law and is of critical importance to the Company's decision-making processes and to the proper discharge of the Company's financial, legal and reporting obligations.

Employees must never misrepresent facts, or falsify or withhold records. Employees must never take any steps that would impede, obstruct, or improperly influence the conclusions, or affect the integrity or availability of information for any audit, review or investigation performed by the Government, an external entity or internal associates.

Employees must contact the Company's Compliance Officer immediately if a representative of the Company asks or instructs him or her to report data that is not accurate or truthful or to falsify or improperly alter or destroy data in any Company record or document. If an employee is concerned that others may be falsifying or improperly altering data, he or she must convey those concerns to the Company's Compliance Officer immediately.

## **Compliance Procedures**

Employees must work to ensure prompt and consistent action against violations of this Code. However, in some situations it is difficult to know the appropriate way to proceed. Since we cannot anticipate every situation that will arise, it is important to have an approach to handle new questions or problems. Things to consider when deciding whether there is a violation of the Code of Conduct:

- Make sure you have all the facts. To reach the right solutions, we must be as fully informed as possible.
- Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper? This will enable you to focus on the specific question you are faced with, and the alternatives you have. Use your judgment and common sense; if something seems unethical or improper, it probably is.
- Discuss the problem with your supervisor. This is the basic guidance for all situations. In many cases, your supervisor will be more knowledgeable about the question, and will appreciate being brought into the decision-making process. Remember that it is your supervisor's responsibility to help solve problems. If you are uncomfortable discussing the problem with your supervisor you can talk to the Compliance Officer.

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- You may report violations in confidence and without fear of retaliation. If a situation requires that your identity be kept secret, your anonymity will be protected. The Company does not permit retaliation of any kind against employees or officers for good faith reports of suspected violations.
- Ask first, act later: If you are unsure of what to do in any particular situation, you should seek guidance before you act.
- All employees and officers are subject to the Company's Code of Conduct, which describes procedures for the internal reporting of violations of the Code. All employees and officers must comply with those reporting requirements and promote compliance with them by others. Failure to adhere to this Code by any employee or officer will result in disciplinary action, up to and including termination.