

# THE LIFETIME HEALTHCARE COMPANIES

## CODE OF BUSINESS CONDUCT

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Welcome to The Lifetime Healthcare Companies.

I'm pleased to share The Lifetime Healthcare Companies Code of Business Conduct (the "Code") with you. Our Code focuses on business conduct and ethics—in other words, the way we do business. We use it to apply and maintain the highest standards of ethical conduct in our business practices.

The Lifetime Healthcare Companies (collectively, the "Corporation") is committed to the values of honesty, integrity, and fairness; the implementation of our Code is proof of our commitment. Our Code educates us about the legal and ethical rules of accepted business practices, raises awareness of questionable conduct, and provides ways to report suspected ethics violations. It will help you make informed, fair business decisions for the Corporation.

You are responsible for upholding our core values of honesty, integrity, and fairness and for applying them to your everyday work activities. When you are uncertain about the ethics of a business decision, use the information in our Code to help you make the right decision.

If you become aware of any unethical activities in the Corporation, you are responsible for reporting them. If you don't diligently apply our business values, the Corporation and/or you could be at risk for legal consequences.

There are several resources to help you raise concerns or report possible violations of our Code. In addition to your immediate leader, or any leader in the organization, you may speak to:

- The Ethics Office
- Regulatory Compliance
- Human Resources
- Enterprise Legal & Supplier Solutions
- The Privacy Office
- The Special Investigations Unit

Our Ethics Hotline (800-275-0170) is staffed by an external vendor and is answered by a live operator, 24 hours a day, seven days a week. Calls to the hotline are always confidential and may be anonymous. You also can email reports to Ethics and Compliance. Please remember, our organization has zero-tolerance for retaliation against anyone who makes a report.

Please review our Code. If you have any questions, please contact the resources listed above.

Thank you for your commitment to the principles outlined in our Code. Our continued success and our future depend on it.

Sincerely,

James R. Reed  
President and Chief Executive Officer  
The Lifetime Healthcare Companies

# **CODE OF BUSINESS CONDUCT**

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# CHAPTER ONE

## EMPLOYEES, BOARD OF DIRECTORS, AND OFFICERS

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## **EMPLOYEES, BOARD OF DIRECTORS, AND OFFICERS CODE OF BUSINESS CONDUCT**

### **I. INTRODUCTION**

The Lifetime Healthcare Companies Code of Business Conduct (the "Code") applies to employees, directors, officers, suppliers, and producers of Lifetime Healthcare, Inc. and its subsidiaries and affiliates (collectively, the "Corporation.")

The Code was prepared with the advice and assistance of legal counsel and has been approved by the Lifetime Healthcare, Inc. Board of Directors. The Code is a formal statement of the Corporation's commitment to the standards and rules of ethical business conduct. It supplements the Corporation's commitment to conduct all activities in accordance with applicable laws and regulations.

This chapter of the Code specifically applies to employees, directors, and officers of the Corporation. The references to "employees" in Sections I through XV of this chapter also apply to directors and officers who are not employees, except as otherwise noted. Special provisions pertaining to directors and officers (including officers who are employees) of the Corporation can be found in Section XVI of this chapter.

All employees of the Corporation must comply with this Code, immediately report any alleged violations and/or non-compliance, and assist compliance personnel in investigating allegations of wrongdoing and problem resolution. The policy of the Corporation is to prevent the occurrence of unethical, non-compliant, and unlawful behavior, to halt such behavior as soon as reasonably possible after its discovery, and to discipline employees who violate the Code, including employees who neglect to report a violation.

The Corporation's leaders are responsible for implementing the Code and creating and sustaining an ethical work environment. This includes, but is not limited to:

- embracing the Code and setting an example as ethical leaders;
- maintaining a workplace environment supportive of the Code;
- educating employees under their supervision in the meaning and application of the Code, as necessary; and
- fairly, consistently, and firmly enforcing the Code.

No code of conduct can cover all circumstances or anticipate every situation. Consequently, employees encountering situations not addressed specifically by this Code should apply the overall philosophy and concepts of the Code to the situation,

along with the highest ethical standards observed by honorable people everywhere. If you are still unsure, you should review the particular circumstances with your immediate leader, the Ethics Office, or the Chief Compliance Officer. Senior leadership, Enterprise Legal & Supplier Solutions, Human Resources, and the Special Investigations Unit are also available for assistance.

While there may be some overlap, the Code does not replace or supersede any portion of the Employee Handbook. The Code reinforces the Corporation's workplace policies and procedures. The Code is not a contract of employment, may be amended or modified by the Corporation at any time, and should not be construed as a promise of employment or continued employment.

## II. ETHICS

It is the long-standing policy of the Corporation to observe all laws applicable to its business. Even where the law is permissive, the Corporation chooses the course of highest integrity. While local customs, traditions, and mores differ from place to place, honesty is valued in every culture.

All employees of the Corporation must understand that how results are obtained, not just that they are obtained, is important. You are expected to keep leadership generally informed of what you are doing; to record all transactions and non-compliance with applicable laws, rules, and regulations accurately; and to be honest and forthcoming with the Corporation, regulatory agencies, and internal and external auditors.

All employees must comply with the Corporation's policies, accounting rules and controls. All employees must also demonstrate the highest standards of ethical conduct. The intent of this Code is that the entire Corporation function with honesty in internal operations and in dealing with members/insureds, accounts, providers, suppliers, and all others with whom the Corporation does business.

## III. CONFLICT OF INTEREST

You must not allow any outside financial interest or competing personal interest to influence your decisions or actions taken on behalf of the Corporation. You must avoid any situation where a conflict of interest exists or might appear to exist between your personal interests and those of the Corporation. The appearance of a conflict of interest may be as serious as an actual conflict of interest.

It is a conflict of interest for you to take for yourself, personally, opportunities that are discovered through the use of corporate property, information, or position; to use corporate property or information for personal gain; or to compete with the Corporation. An example of an actual or potential conflict of interest is a personal or

family enterprise that conducts business with the Corporation or competes with it. This does not include a minimal holding of stock or other securities in publicly traded companies that may incidentally do business with the Corporation.

Employees are required to complete and/or update a Conflict of Interest Questionnaire upon hire, annually thereafter, and whenever there is any change in circumstances (job responsibilities, outside activities or business interests of employees or their family members) that might require an amendment of their previously filed Conflict of Interest Questionnaire, and as required by the Corporation. Employees with questions regarding conflicts of interest or whether a Conflict of Interest Questionnaire needs to be updated should discuss the matter with the Ethics Office or Enterprise Legal & Supplier Solutions.

There are many types of situations where potential conflicts may arise. You must promptly disclose actual or potential conflicts of interest to an immediate leader or directly to the Ethics Office. Senior leadership, Enterprise Legal & Supplier Solutions, and the Special Investigations Unit are also available for assistance in determining whether a situation poses a conflict of interest, or a Conflict of Interest Questionnaire should be updated.

### **A. Outside Activities and Employment**

You may not conduct activities for another employer during work time. Such activities interfere with your regular duties and adversely impact the quality of your work.

You are required to disclose positions of secondary employment, personal businesses, and/or board memberships to the Corporation on a Conflict of Interest Questionnaire.

You are an ambassador of the Corporation in your everyday life. Even in outside activities, your conduct should reflect the principles and values outlined in this Code.

### **B. Use of Corporate Funds and Assets**

The Corporation's assets are to be used solely for the benefit of the Corporation. You are responsible for assuring that corporate assets are used only for valid corporate purposes. Corporate assets include not only equipment, inventory, corporate funds, and office supplies, but also concepts, business strategies and plans, financial data, member/insured and provider information, intellectual property rights and other proprietary information about the Corporation's business. You may not use corporate assets for personal gain or give them to any other person or entity, except in the ordinary course of business as part of an approved transaction. Occasional, personal use of corporate assets such as telephone, fax machine, copy machine, or internet access is permitted so long as such use does not interfere with the security or



effectiveness of the system, adheres to Company standards, and does not interfere with job performance. On occasion, the Corporation may sell assets that are no longer needed to employees. Such sales must be supported by properly approved documentation signed by an authorized employee.

### **C. Business Dealings between the Corporation and Employees**

The Corporation must not be inappropriately influenced to purchase goods or services from any business in which you or your close relative has a substantial interest. (A substantial interest is determined under the following test: Are you or any member of your family (spouses, domestic partners, parents, guardian stepparents, foster parents, grandparents, great grandparents, step-grandparents, children, stepchildren, grandchildren, step-grandchildren, siblings, stepsiblings, foster children, parents-in-law, children-in-law, siblings-in-law, or family members residing in the same household) an officer, director or owner of more than 10% of the stock of a corporation whose aggregate sales to (i) hospitals, (ii) licensed medical professionals, and (iii) facilities of health service, hospital service and medical expense indemnity corporations exceed 5% of its total sales?) These situations must be disclosed to the Corporation on a Conflict of Interest Questionnaire, and appropriate safeguards will be put in place to ensure that this principle is not violated. Similarly, the Corporation will not sell, give, or lend any equipment, furniture, supplies, or materials to you for your personal use.

The Corporation employs licensed clinicians who may practice in our communities. To avoid potential perceptions of conflicts of interest, employees may not directly bill the Corporation for services rendered to our enrollees/beneficiaries. Employees may work as employees of health care providers, but their work should not cross over between the entities. Employees must recuse themselves from any work relative to their secondary employer.

Occasional exceptions may be made when it is in the best interest of the Corporation, but only when senior leadership and the Chief Compliance Officer document and approve it.

### **D. Communicating with the Media**

Only the Corporation's Communications department is authorized to initiate contact with and/or issue official corporate statements regarding policy, opinions, and actions on behalf of the Corporation to any and all media. The Corporation's policy is not intended to restrict your rights to freely express your opinion as an individual member of society; however, when making individual comments to the media, you must be clear that you are not speaking on behalf of the Corporation.

If you are contacted by the media for any information related to the Corporation, refer reporters to Corporate Communications personnel for your

location. A list of Communications staff and subsidiary designees/counterparts can be found in the Corporate Communications Department Blog located under Employee Resources on the Lifetimes Online homepage.

## **IV. MAINTENANCE OF BOOKS AND RECORDS**

You must record and report all member/insured, provider, customer, and financial information fully, accurately, and honestly. Records include, but are not limited to, accounting books or records, financial reports, business and time records, expense reports, vouchers, bills, payroll, membership/insured records, correspondence, and other records of communication, and claims payment records. You must not omit or conceal any relevant information. You may not create any secret or unrecorded funds or assets.

### **A. Falsification of Records**

You must not make false entries in any of the Corporation's books or records or in any public record for any reason. You may not alter any permanent entries in the Corporation's records. You may only approve payments or receipts on behalf of the Corporation that are described in the documents supporting the transaction. "Slush funds" or similar off-book accounts, where there is no accounting for receipts or expenditures on the corporate books, are strictly prohibited. You may not create or participate in the creation of any records that are intended to mislead or to conceal anything that is improper.

### **B. Expense Records**

You must always charge expenses accurately and to the appropriate cost center or account, regardless of the financial status of the program, project, or contract, or the budget status of a particular account or line item.

### **C. Retention of Records**

The retention, disposal, or destruction of records, of or pertaining to the Corporation, must always comply with legal and regulatory requirements and corporate policy. You may not destroy records pertaining to litigation without express written authorization from Enterprise Legal & Supplier Solutions, or from the Chief Compliance Officer when the matter involves a government investigation or audit.

## V. PROTECTION OF CONFIDENTIAL INFORMATION

Confidential information includes medical and claims information about members/insureds, as well as non-public information that might be of use to competitors or harmful to the Corporation or its customers if disclosed outside the Corporation.

Protected health information, financial data, sales figures, planned new products/projects or planned advertising programs, areas where the Corporation intends to expand, lists of suppliers, lists of accounts, lists of prospects, lists of member/insureds, provider data, capital investment plans, projected earnings, changes in leadership or policies of the Corporation, testing data, suppliers' prices to us, and any plans the Corporation may have for any of its products are also confidential information.

You must abide by all confidentiality agreements and policies of the Corporation and avoid even inadvertent disclosures of confidential information. You may not release confidential information without proper authorization. In the case of confidential information of the Corporation, such authorization must come from appropriate Corporation officials with authority to approve the requested disclosure. The Privacy Office or Enterprise Legal & Supplier Solutions can help you identify an appropriate Corporation official. In the case of confidential protected health information and other member/insured information, absent specific exceptions, authorization or consent must be appropriately given by the member/insured prior to any disclosure. When questions arise regarding whether authorization or consent has been appropriately given, doubts should be resolved in favor of non-disclosure. The Privacy Office and Enterprise Legal & Supplier Solutions are available to assist in analyzing these issues.

### A. Termination of Employment

The work that you perform as an employee belongs to the Corporation. If you terminate employment with the Corporation, you may not take or use any confidential information acquired during employment with the Corporation for your own or another company's benefit. This obligation arises under the Confidentiality Agreement portion of the Conflict of Interest Questionnaire that employees sign as a condition of employment; this document defines confidential information relevant to the post-employment obligations discussed here. The obligation also arises under state law. Among other things, these confidentiality obligations prohibit the taking or use of originals or copies of any reports, manuals, proposals, or any other property belonging to the Corporation (i) for any purpose post-employment (i.e., after the termination of the employment relationship between the Corporation and the employee) and (ii) during each employee's employment to the extent that the materials are used for unauthorized purposes.

## **B. Information Security**

You are responsible for properly using information stored and produced by all of the Corporation's systems. You may not share system usernames and passwords with other employees. Using any username or password other than your own without the express permission of an appropriate official of the Corporation is considered theft of service and a violation of corporate policy.

Microcomputers, personal computers, Internet access, e-mail, or other office communications systems are intended for business-related purposes only and not for use that may be discriminatory, disruptive, offensive, harassing, or creating a hostile work environment for co-workers.

Occasional Internet or e-mail use is permitted, though, so long as such use does not interfere with the security or effectiveness of the system, adheres to Company standards, and does not interfere with job performance. All electronic activity is monitored and there should be no expectation of individual privacy.

All employees are required to comply with The Lifetime Healthcare Companies Electronic Communications Policy, policies for Internet Services, and all other policies contained in the Employee Handbook. If you have any questions concerning information security, contact your immediate leader or the Chief Information Security Officer.

## **VI. FAIR DEALING**

Conducting business with providers, suppliers, producers, accounts, members/insureds, and competitors can pose ethical problems. You should endeavor to deal fairly with the Corporation's providers, suppliers, producers, accounts, members/insureds, and competitors.

This Code is intended to help you make appropriate, responsible, and correct decisions. You are expected to exercise good judgment and discretion in these and all matters.

### **A. Kickbacks and Rebates**

Kickbacks and rebates in cash, credit, or any other form are prohibited. They are not only unethical, but, in many cases, illegal.

### **B. Gifts or Gratuities**

You may not accept or encourage gifts of money under any circumstances. You

may not solicit non-monetary gifts, gratuities, or any other personal benefits or favors of any kind from providers, suppliers, producers, accounts, or members/insureds.

You or your family may accept an unsolicited, non-monetary gift from a business firm or individual doing or seeking to do business with the Corporation if the gift is primarily of an advertising or promotional nature. You may also accept a gift or gratuity of nominal value that a business firm or individual provides to a wide spectrum of existing and potential customers. Nominal value shall be as defined by corporate policy as may be amended from time to time.

In addition, if protocol, courtesy, or other special circumstance requires it, you may accept a gift or gratuity of more than nominal value; however, you must report any gift or gratuity of more than nominal value to the Ethics Office, who will use The Lifetime Healthcare Companies Business Courtesies Policy as a guide to determine whether you may keep the gift or gratuity.

### **C. Entertainment**

You may offer or accept entertainment if it:

- is not excessive;
- does not involve lavish expenditures; and
- is compliant with corporate policy and any applicable laws and regulations.

You must not offer or accept entertainment that is not a reasonable addition to a business relationship but is primarily intended to gain favor or to influence a business decision.

### **D. Agreements with Suppliers and Producers**

Agreements with suppliers (including vendors, consultants, and/or other business partners) and producers (agents and brokers) must clearly and accurately describe the services to be performed or items purchased, performance standards, and applicable compensation, if any. Compensation must be reasonable in amount. For example, payment may not be excessive in terms of industry practice, may not be in violation of applicable laws and regulations, and must equal or match the value of the services rendered. The Corporation has procedures to help you develop these agreements.

When entering into an agreement with a supplier or producer, the Corporation will include instructions for electronic access to the Corporation's Code of Conduct. By signing their contractual agreement, a supplier or producer

agrees that it has received, and will comply with, the Code of Conduct.

## **E. Improper Use of Funds or Assets**

Use of the Corporation's funds or assets for any improper purpose is prohibited.

Examples of improper use of funds or assets include:

- payments for any unlawful or unethical purposes;
- payments outside the scope of agreements entered into by or on behalf of the Corporation;
- personal loans (including the extension or maintenance of credit, the arrangement of an extension of credit or the renewal of an extension of credit) to any employee of the Corporation using the Corporation's funds or assets; and,
- use of the Corporation's funds or assets in violation of corporate policy or any applicable laws or regulations.

If you know, or have reason to know, of an actual or potential improper use of the Corporation's funds or assets, you must report it to your immediate leader or the Ethics Office. Senior leadership, Enterprise Legal & Supplier Solutions, and the Special Investigations Unit are also available for assistance.

## **VII. FEDERAL AND STATE CONTRACTS; FEDERAL PROCUREMENT**

### **A. Gifts to Government and Public Officials**

Federal and state statutory provisions prohibit public officials, including employees, from accepting anything of value, subject to reasonable exceptions such as modest items of food and refreshments. You may neither offer nor make a gift to a federal or state public official.

It is also illegal to give a gift or to offer or promise anything of value to a public official for or because of any official act performed or to be performed by such official. Additionally, it is a crime to make a payment to a public employee as compensation for public duties performed.

### **B. Federal Procurement**

The Corporation is subject to the Federal Procurement Integrity Act when bidding on a federal contract, such as a Medicare Advantage contract. This law restricts certain business conduct for a company seeking to obtain work from the

federal government. During the bidding process, you may not:

- offer or discuss employment or business opportunities at the Corporation with any agency procurement official;
- offer or give gratuities or anything of value to any agency procurement official; or,
- seek to obtain any confidential information about the selection criteria before the government awards the contract. This includes information submitted by another company in a bid or proposal and marked “Proprietary,” as well as the selection criteria and the evaluation of bids and proposals.

## **VIII. FEDERAL AND STATE PROGRAMS**

The Corporation is committed to abiding by the laws and regulations that govern the state and federal programs with which it participates. Accordingly, in addition to the government programs contracts with state and federal regulators, you are required to comply with all applicable statutory, regulatory, and other requirements of the Medicaid program, the Medicare program, including the requirements applicable to Dual Eligible Special Needs Plans (D-SNPs) and the Medicare Part D program, and the Patient Protection and Affordable Care Act. You are also required to comply with the Corporation’s fraud, waste, and abuse policies and procedures.

The key federal and state laws with which you must comply in the administration of federal and state programs include, but are not limited to, the following:

1. False Claims Acts and related whistleblower (anti-retaliation) protections
2. Federal Administrative Remedies for False Claims
3. Anti-Kickback Statutes
4. Health Insurance Portability and Accountability Act (HIPAA), as amended under the Health Information Technology for Economic and Clinical Health (HITECH) Act, and the regulations at 45 C.F.R. Parts 160, 162, and 164
5. Patient Protection and Affordable Care Act
6. Beneficiary Inducement Statute
7. Physician Self-Referral (Stark) Laws
8. Fraud Enforcement and Recovery Act of 2009
9. Medicare, Title XVIII of the Social Security Act
10. Medicaid, Title XIX of the Social Security Act and New York Social Services Law Article 5, Title 11
11. Federal and New York Criminal False Claims Acts
12. Civil Monetary Penalties Law
13. Mental Health and Substance Abuse Parity Laws, including the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity

- Act, 29 U.S.C. section 1185a (MHPAEA) and 11 NYCRR Part 230 (Regulation 218)
14. New York State Insurance Law sections 3216, 3217-a, 3217-b, 3221, and 4303
  15. New York State Office of the Medicaid Inspector General (OMIG) Compliance Program Requirements, including 18 NYCRR Part 521-1 – 521-3
  16. Prohibitions against Employing or Contracting with Excluded Persons or Entities
  17. Out-of-Network and No-Surprise Billing Laws

In addition to the laws and regulations specifically referenced above, you must comply with the accompanying federal and state regulations (found in the Code of Federal Regulations (CFR), and the New York State Codes, Rules and Regulations (NYCRR)) as well as regulatory/policy guidance issued by the Centers for Medicare and Medicaid Services, Health and Human Services, Office of Inspector General, New York State Department of Health, Office of Medicaid Inspector General, and other government program authorities, including requirements in the Medicare Managed Care Manual and the Prescription Drug Benefit Manual. If you have any questions regarding the obligations set forth in these laws, contact your immediate leader, a representative of the Regulatory Compliance Government Programs team, the Medicare Compliance Officer, or the Chief Compliance Officer.

## **IX. GOVERNMENTAL INVESTIGATIONS**

From time to time, the Corporation may be asked to cooperate with a governmental examination or investigation or respond to a request for information. A request may be addressed formally to the Corporation or directed informally to an individual within the Corporation by a regulator or enforcement agency. All employees are required to report requests for information or cooperation to the Corporation employee designated by the Corporation's Chief Compliance Officer. The designated employee will consult with Enterprise Legal & Supplier Solutions and determine whether a report should be submitted to the Ad Hoc Routing Coordinator.

## **X. POLITICAL ACTIVITIES AND CONTRIBUTIONS**

Federal law prohibits, and state law restricts, the use of corporate funds in connection with elections. Accordingly, pursuant to the corporate policy on political contributions, you may not include, directly or indirectly, any political contribution on an expense account or otherwise seek reimbursement from the Corporation for that



contribution.

## **XI. EMPLOYMENT ENVIRONMENT**

Each employee is entitled to work in a safe and professional setting. To that end, the Corporation is committed to complying with all applicable laws and regulations affecting safety, health, and the environment. The Corporation's commitment to the quality of the workplace includes maintaining an environment that is free from violence, drugs, alcohol, and the effects of violence, drugs, and alcohol.

In addition, the Corporation is committed to providing a work environment that is free of unlawful harassment and discrimination in all aspects of the employment relationship, including recruitment and employment, work assignment, promotion, transfer, salary administration, selection for training, corrective action, and termination. Equal employment opportunity will be extended to all individuals who are qualified to perform the job requirements regardless of race, color, creed, gender, religion, national origin, age, marital status, sexual orientation, gender identity or expression, public assistance, disability, military or veteran status or any other status protected by law, except as permitted or required by law.

All employees are required to support the Corporation's commitment to a safe and professional work environment and to demonstrate appropriate behavior. Many of these requirements are described in detail in the Employee Handbook. The Employee Handbook is available to all employees, and any questions concerning it may be directed to an immediate leader or a member of Human Resources. Suspected violations of the policies detailed in the Employee Handbook, or any other corporate policies, must be reported as detailed below in Section XIV, "Seeking Guidance and Reporting Violations."

## **XII. EMPLOYMENT OF GOVERNMENT PERSONNEL**

There are very strict laws and regulations to prevent a conflict of interest by federal government personnel. Some restrict when and how a federal government employee or appointee can be employed by or go to work for an entity that the government regulates or with which the employee or appointee has interacted in the course of the federal job. Federal laws also restrict non-governmental organizations in interviewing, recruiting, and hiring current and former federal government personnel, including both military and civil service employees. These rules apply to personnel hired as employees and to those retained as consultants. Violation could result in sanctions against the former government employee and criminal and civil charges against the

Corporation.

### **XIII. MANIPULATION OF AUDITORS**

You may not take any action to fraudulently influence, coerce, manipulate, or mislead any representative of Corporate Audit, Regulatory Compliance, Enterprise Legal & Supplier Solutions, or Finance who is conducting an internal audit on behalf of the Corporation or any independent public or certified accountant engaged in the performance of an audit of the financial statements of the Corporation or any other audit, for the purpose of rendering such financial statements or other report materially misleading.

### **XIV. SEEKING GUIDANCE AND REPORTING VIOLATIONS**

You must report any actual or suspected violation of (i) this Code; (ii) any applicable law or regulation; or (iii) any corporate policy, practice, or procedure to at least one of the following: a leader in the organization, the Ethics Office, the Corporate Privacy Office, Regulatory Compliance, Enterprise Legal & Supplier Solutions, Human Resources, the Special Investigations Unit, or the Ethics & Compliance Hotline. Reports to the Ethics & Compliance Hotline should be made to 1-800-275-0170, a toll free, confidential number for use from any location. This number is answered by ComplianceLine, an external vendor with operators available twenty-four hours per day, seven days per week. An email notification is received by designated investigative staff whenever a report is received at ComplianceLine. Reports involving state or federal programs may be made to the Corporation, as described above, the Centers for Medicare and Medicaid Services, or law enforcement.

The person to whom an incident is reported must refer the matter to the Ethics Office or to Enterprise Legal & Supplier Solutions in the event that a member of the Ethics Office is the subject of the complaint. Steps will be taken to protect anonymity and confidentiality, where warranted and appropriate. The Corporation will not tolerate any form of retaliation against a person who makes a good faith report in accordance with this Code.

All employees must cooperate openly and honestly in any corporate investigation into a reported violation of this Code; any applicable law or regulation; or corporate policy, practice, or procedure, and employees must also assist in the resolution of compliance issues.

## **XV. CORRECTIVE ACTION AND/OR DISCIPLINE**

Any employee who violates, enables, encourages, directs, facilitates, allows, or knowingly fails to report any violation of this Code; any applicable law or regulation; any Medicare sub-regulatory guidance; or any corporate policy, practice, or procedure; will be subject to disciplinary action up to, and including, termination. Additionally, any employee who does not participate in or complete required training will be subject to disciplinary action up to, and including, termination. Any director or officer who is not an employee of the Corporation, and who violates, enables, encourages, directs, facilitates, allows, or knowingly fails to report any violation of this Code; any applicable law or regulation; or any corporate policy, practice, or procedure may be removed from service as a director or officer for “cause” as provided in the Bylaws of the Corporation. The Corporation may take other actions as appropriate to address violations of the Code by any individual.

Employees who fail to cooperate in the investigation of any violation of this Code; any applicable law or regulation; any Medicare sub-regulatory guidance; or any corporate policy, practice, or procedure; will be subject to disciplinary action up to, and including, termination.

“Disciplinary action,” as used in this Code and in compliance with Social Services Law §363-d, may range from a warning to suspension or discharge, depending on the nature of the incident and the relevant surrounding circumstances. Leadership and Human Resources will determine the appropriate corrective action, in consultation with the Medicare Compliance Officer and/or Ethics Officer, as necessary. Discipline will not necessarily be progressive. Additionally, although the Code sets forth the Corporation’s goal for complying with all applicable laws and regulations, the Corporation may impose discipline in situations where an employee exercises bad judgment, engages in inappropriate conduct, or otherwise compromises the Corporation’s commitment to ethical business conduct, even if there is no actual legal or policy violation. Although every incident will be evaluated individually and addressed according to the factors involved, the Corporation strives to ensure consistency, fairness, and reason when imposing disciplinary action. Restitution may be pursued if the violation or misconduct results in loss of corporate property or assets. Violations may also result in criminal referral and reports to law enforcement and government agencies.

Any employee who intimidates, harasses, or threatens another employee for good faith participation in the compliance program, including reporting to appropriate officials a real or perceived violation, will be subject to disciplinary action, up to and including discharge; or, in the case of a director or officer who is not an employee, will be subject to removal from service for “cause” as provided in the Bylaws of the Corporation. The Corporation will not tolerate such retaliation.

The policies set forth in the Code are intended to be used and construed in conjunction with other Corporation policies and procedures, including the Employee Handbook and other Human Resources policies, administrative policies,

departmental policies and procedures, etc.

The Corporation will also take appropriate action to mitigate any damages caused by violation of this Code and will take appropriate action to mitigate or minimize the impact in the event of a violation, alleged violation, or suspected violation of the Code.

## **XVI. BOARD OF DIRECTORS AND OFFICERS – SPECIAL PROVISIONS**

### **A. Fiduciary Relationship**

In their fiduciary relationship with the Corporation, directors and officers are required to act in good faith and to exercise their powers solely in the interests of the Corporation and never in their own self-interest.

By accepting their positions, directors and officers agree to comply with all requirements of the Corporation for service as a director or officer, to pay diligent attention to the business of the Corporation, and to be faithful and honest in fulfilling their duties to the Corporation. Because of this special relationship, it is particularly important that directors and officers adhere to the standards set forth in this chapter.

### **B. Compliance and Ethics Programs**

Directors are responsible for adoption of an effective compliance and ethics program governing the conduct of all corporate employees, directors, and officers. Directors must be knowledgeable about the content and operation of the program and exercise reasonable oversight with respect to its implementation and effectiveness.

## CHAPTER TWO

### SUPPLIERS

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## SUPPLIERS CODE OF BUSINESS CONDUCT

### I. INTRODUCTION

The Lifetime Healthcare Companies Code of Business Conduct (the "Code") applies to employees, directors, suppliers, and producers of Lifetime Healthcare, Inc. and its subsidiaries and affiliates (collectively, the "Corporation").

The Code was prepared with the advice and assistance of legal counsel and has been approved by the Lifetime Healthcare, Inc. Board of Directors. The Code is a formal statement of the Corporation's commitment to the standards and rules of ethical business conduct. It supplements the Corporation's commitment to conduct all activities in accordance with applicable laws and regulations.

This chapter of the Code specifically applies to suppliers of the Corporation, including vendors, consultants, and/or other contractors/business partners. All suppliers of the Corporation must comply with this Code, immediately report any alleged violations and/or non-compliance, and assist the Corporation's compliance personnel in investigating allegations of wrongdoing and problem resolution. The policy of the Corporation is to prevent the occurrence of unethical, non-compliant and unlawful behavior, to halt and/or correct such behavior as soon as reasonably possible after its discovery, and to sanction suppliers who violate the Code, including suppliers who neglect to report a violation.

It is your responsibility to understand the requirements of the Code. You may need to develop and/or maintain operational policies and procedures to ensure your compliance with the Code.

No code of conduct can cover all circumstances or anticipate every situation. Consequently, suppliers encountering situations not addressed specifically by this chapter of the Code should apply the overall philosophy and concepts of the entire Code to the situation, along with the highest ethical standards observed by honorable people everywhere. If you are still unsure, review the particular circumstances with the Ethics Office. The Ethics Office may be reached by contacting the Ethics & Compliance Hotline (1-800-275-0170) and requesting that the Ethics Office return the call.

### II. ETHICS

It is the long-standing policy of the Corporation to observe all laws applicable to its business. Even where the law is permissive, the Corporation chooses the course of highest integrity. While local customs, traditions, and mores differ from place to place,

honesty is valued in every culture.

Suppliers of the Corporation must understand that how results are obtained, not just that they are obtained, is important. Suppliers are expected to keep the Corporation apprised of their activities; to record all transactions and non-compliance with applicable laws, rules, and regulations accurately; and to be honest and forthcoming with the Corporation, the Corporation's regulatory agencies, and internal and external auditors.

The intent of this Code is that the entire Corporation, and its suppliers, function with honesty in internal operations and in dealing with members/insureds, accounts, providers, suppliers, and all others with whom the Corporation does business.

### **III. CONFLICT OF INTEREST**

Suppliers must not allow any outside financial interest or competing personal interest to influence their decisions or actions taken on behalf of the Corporation. Suppliers must avoid any situation where a conflict exists or might appear to exist between their own interests and those of the Corporation. The appearance of a conflict of interest may be as serious as an actual conflict of interest.

Suppliers with questions regarding conflicts of interest should contact the Ethics Office or Enterprise Legal & Supplier Solutions.

The Corporation will not be inappropriately influenced to purchase goods or services from any business in which a supplier has a substantial interest. (A substantial interest is determined under the following test: Is the supplier, its business affiliates, subsidiaries, subcontractors, or members of its board of directors or any of its key management or executive staff an officer, director or owner of more than 10% of the stock of a corporation whose aggregate sales to (i) hospitals; (ii) licensed medical professionals; and (iii) facilities of health service, hospital service and medical expense indemnity corporations; exceed 5% of its total sales?).

Only the Corporation's Communications department is authorized to initiate contact with and/or issue official corporate statements regarding policy, opinions, and actions to any and all media. If a supplier is contacted by the media for any information related to the Corporation, the supplier should refer reporters to the Corporation's Communications department.

### **IV. MAINTENANCE OF BOOKS AND RECORDS**

Suppliers must record and report all transactions and/or compliance activities with or on behalf of the Corporation fully, accurately, and honestly. Records include, but

are not limited to, accounting books or records, financial reports, business and time records, expense reports, vouchers, bills, payroll, membership/insured records, correspondence, and other records of communication, and claims payments records. No relevant information may be omitted or concealed, nor may any secret or unrecorded funds or assets be created for any purpose.

### **A. Falsification of Records**

False entries must never be made in any of the Corporation's books or records or in any public record for any reason. No permanent entries in the Corporation's records may be altered in any way. No payment or receipt on behalf of the Corporation may be approved or made with the intention or understanding that any part of the payment or receipt is to be used for a purpose other than that described in the documents supporting the transaction. "Slush funds" or similar off-book accounts, where there is no accounting for receipts or expenditures on the corporate books, are strictly prohibited. It is very important that suppliers not create or participate in the creation of any records that are intended to mislead or to conceal anything that is improper.

### **B. Expense Records**

Expenditures must always be charged accurately.

### **C. Retention of Records**

The retention, disposal, or destruction of records of or pertaining to the Corporation must always comply with legal and regulatory requirements and corporate policy. Records pertaining to compliance investigations and litigation are not to be destroyed without express written authorization from Enterprise Legal & Supplier Solutions or from the Chief Compliance Officer when the matter involves a government investigation or audit.

## **V. PROTECTION OF CONFIDENTIAL INFORMATION**

Suppliers may be entrusted with important confidential information that may not be released without proper authorization. Such authorization must come from corporate officials with the authority to authorize the requested disclosure. The Privacy Office or Enterprise Legal & Supplier Solutions can help suppliers identify an appropriate corporate official. When questions arise regarding whether authorization has been appropriately given, doubts should be resolved in favor of non-disclosure. The Privacy Office and the Enterprise Legal & Supplier Solutions department are available to assist in analyzing these issues.



Confidential information includes medical and claims information about the Corporation's members/insureds, as well as information regarding the Corporation's business activities.

Protected health information, financial data, sales figures, planned new products/projects or planned advertising programs, areas where the Corporation intends to expand, lists of suppliers, lists of accounts, lists of prospects, lists of member/insureds, provider data, capital investment plans, projected earnings, changes in management or policies of the Corporation, testing data, suppliers' prices to the Corporation, or any plans the Corporation may have for any of its products are also confidential information.

All suppliers must abide by the confidentiality obligations imposed by the Corporation. Suppliers must avoid even inadvertent disclosures of confidential information.

### **A. Termination of Relationship**

Once a supplier's relationship with the Corporation ends, the supplier may not take or use any confidential information gained from the relationship with the Corporation. Suppliers may not take or use originals or copies of any reports, manuals, proposals, or any other property belonging to the Corporation at any time.

During the term of the supplier's contract with the Corporation and at all times thereafter: (i) supplier will hold in confidence and not disclose any confidential information, and (ii) supplier will not use any confidential information for any purpose, except for the sole benefit of the Corporation.

### **B. Information Security**

Suppliers are responsible for properly using information stored and produced by all of the Corporation's systems. System usernames and passwords may not be shared between individuals. Any use of a username or password, other than the supplier's own, without the express permission of an appropriate official of the Corporation, shall be considered theft of service and a violation of corporate policy.

Microcomputers, personal computers, Internet access, e-mail, or other office communications systems are intended for business-related purposes only and not for use that may be considered discriminatory, disruptive, offensive, harassing, or creating a hostile work environment. Occasional Internet or e-mail use is permitted, though, so long as such does not interfere with the security or effectiveness of the system, adheres to Company standards, and does not interfere with job performance.

Any questions concerning information security may be directed to the Chief

Information Security Officer.

## **VI. FAIR DEALING**

Conducting business with providers, other suppliers, producers, accounts, and members/insureds on behalf of the Corporation can pose ethical problems. This Code is intended to assist in making appropriate, responsible, and correct decisions. Suppliers are expected to exercise good judgment and discretion in these and all matters.

### **A. Kickbacks and Rebates**

The purchase or sale of goods and services must not lead to suppliers' or their families' receipt of kickbacks or rebates. Kickbacks or rebates may take many forms and are not limited to direct cash payments or credits. If a supplier or a member of their family stands to gain personally in the form of a kickback and/or rebate from a transaction, the transaction is prohibited. Such practices are not only unethical, but are, in many cases, illegal.

### **B. Gifts or Gratuities**

Suppliers must be aware that, in their role representing the Corporation, they may not accept or encourage gifts of money under any circumstances. They may not solicit non-monetary gifts, gratuities, or any other personal benefit or favor of any kind from providers, suppliers, producers, accounts, or members/insureds.

Suppliers and their immediate families may accept unsolicited, non-monetary gifts from a business firm or individual doing or seeking to do business with the Corporation if the gift is primarily of an advertising or promotional nature. Suppliers may accept a gift or gratuity of a nominal value that a business firm or individual provides to a wide spectrum of existing and potential customers. Nominal value shall be as defined by corporate policy and may be amended from time to time.

If protocol, courtesy, or other special circumstances require it, in their role representing the Corporation, suppliers may accept gifts or gratuities of more than a nominal value; however, any gift or gratuity of more than nominal value must be reported to the Ethics Office, who will use The Lifetime Healthcare Companies Business Courtesies Policy as a guide to determine whether the supplier may keep the gift or gratuity.

### **C. Entertainment**

Suppliers must be aware that, in their role representing the Corporation, they may only accept entertainment if it:

- is not excessive;
- does not involve lavish expenditures; and
- is compliant with corporate policy and any applicable laws and regulations.

Offering entertainment that is not a reasonable addition to a business relationship but is primarily intended to gain favor or to influence a business decision is not permitted.

### **D. Agreements with Suppliers**

Agreements between the Corporation and a supplier must clearly and accurately describe the services to be performed or items purchased, the performance standards, and applicable compensation, if any. Compensation must be reasonable in amount. For example, payment may not be excessive in terms of industry practice, may not be in violation of applicable laws and regulations, and must equal or match the value of services rendered.

Each supplier will receive instructions for electronic access to the Corporation's Code of Conduct. By signing an Agreement with The Lifetime Healthcare Companies, a Supplier agrees that it has received, and will comply with, the Code of Conduct. Each Agreement will also include confidentiality terms or a separate Business Associate Agreement, if applicable.

### **E. Improper Use of Funds or Assets**

Use of the Corporation's funds or assets for any improper purpose is prohibited. Examples of improper use of funds or assets include:

- payments for any unlawful or unethical purposes;
- payments outside the scope of agreements entered into by or on behalf of the Corporation; and,
- use of the Corporation's assets in violation of corporate policy or any applicable law or regulations.

A supplier who knows, or has reason to know, of an actual or potential improper use of the Corporation's funds or assets has an obligation to report it to the Ethics Office. The Ethics Office may be reached by contacting the Ethics & Compliance

Hotline (1-800-275-0170) and requesting that the Ethics Office return the call.

## **VII. FEDERAL AND STATE CONTRACTS; FEDERAL PROCUREMENT**

### **A. Gifts to Government and Public Officials**

Federal and state statutory provisions prohibit public officials, including employees, from accepting anything of value, subject to reasonable exceptions such as modest items of food and refreshments. No supplier shall either offer or make a gift to a federal or state public official on behalf of the Corporation.

It is also illegal for any person to give a gift or to offer or promise anything of value to a public official for or because of any official act performed or to be performed by such official. Additionally, it is a crime to make a payment to a public official as compensation for public duties performed.

### **B. Federal Procurement**

The Corporation is subject to the Federal Procurement Integrity Act when bidding on a federal contract, such as a Medicare Advantage contract. This law restricts certain business conduct for a company seeking to obtain work from the federal government. During the bidding process, suppliers, on behalf of the Corporation, may not:

- offer or discuss employment or business opportunities with any agency procurement official;
- offer or give gratuities or anything of value to any agency procurement official; or,
- seek to obtain any confidential information about the selection criteria before the government awards the contract. This includes information submitted by another company in a bid or proposal and marked “Proprietary,” as well as the selection criteria and the evaluation of bids and proposals.

## **VIII. FEDERAL AND STATE PROGRAMS**

The Corporation is committed to abiding by the laws and regulations that govern the state and federal programs with which it participates. Accordingly, in addition to the government programs contracts with state and federal regulators, you are required to comply with all applicable statutory, regulatory, and other requirements of the Medicaid program, the Medicare program, including the requirements applicable to Dual Eligible Special Needs Plans (D-SNPs) and the Medicare Part D program, and the Patient

Protection and Affordable Care Act. You are also required to comply with the Corporation's fraud, waste, and abuse policies and procedures. Part of your responsibility includes making sure that you and your staff understand the compliance standards that impact you or their job responsibilities and providing or arranging for training as appropriate and maintaining reference materials and other job aids, if appropriate.

The key federal and state laws with which you must comply in the administration of federal and state programs include, but are not limited to, the following:

1. False Claims Acts and related whistleblower (anti-retaliation) protections
2. Federal Administrative Remedies for False Claims
3. Anti-Kickback Statutes
4. Health Insurance Portability and Accountability Act (HIPAA), as amended under the Health Information Technology for Economic and Clinical Health (HITECH) Act, and the regulations at 45 C.F.R. Parts 160, 162, and 164
5. Patient Protection and Affordable Care Act
6. Beneficiary Inducement Statute
7. Physician Self-Referral (Stark) Laws
8. Fraud Enforcement and Recovery Act of 2009
9. Medicare, Title XVIII of the Social Security Act
10. Medicaid, Title XIX of the Social Security Act and New York Social Services Law Article 5, Title 11
11. Federal and New York Criminal False Claims Acts
12. Civil Monetary Penalties Law
13. Mental Health and Substance Abuse Parity Laws, including the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act, 29 U.S.C. section 1185a (MHPAEA) and 11 NYCRR Part 230 (Regulation 218)
14. New York State Insurance Law sections 3216, 3217-a, 3217-b, 3221, and 4303
15. New York State Office of the Medicaid Inspector General (OMIG) Compliance Program Requirements, including 18 NYCRR Part 521-1 – 521-3
16. Prohibitions against Employing or Contracting with Excluded Persons or Entities
17. Out-of-Network and No-Surprise Billing Laws

In addition to the laws and regulations specifically referenced above, you must comply with the accompanying federal and state regulations (found in the Code of Federal Regulations (CFR), and the New York State Codes, Rules and Regulations (NYCRR)) as well as regulatory/policy guidance issued by the Centers for Medicare and Medicaid Services, Health and Human Services, Office of Inspector General, New York State Department of Health, Office of Medicaid Inspector General, and other

government program authorities, including requirements in the Medicare Managed Care Manual and the Prescription Drug Benefit Manual. If you have any questions regarding the obligations set forth in these laws, contact a representative of the Regulatory Compliance Government Programs team, the Medicare Compliance Officer, or the Chief Compliance Officer.

## **IX. GOVERNMENTAL INVESTIGATIONS**

From time to time, the Corporation may be asked to cooperate with a governmental examination or investigation or respond to a request for information. A request may be addressed formally to the Corporation or directed informally to an individual within the Corporation by a regulator or enforcement agency. All suppliers are required to report requests for information or cooperation to the Chief Compliance Officer by contacting the Ethics & Compliance Hotline (1-800-275-0170) and requesting that the Chief Compliance Officer return the call.

## **X. WORK ENVIRONMENT**

All suppliers must comply with all applicable laws and regulations and corporate policies affecting safety, health, and the environment. It is the policy of the Corporation to maintain an environment that is free from violence, drugs, alcohol, and the effects of violence, drugs, and alcohol.

The Corporation is committed to providing a work environment that is free of unlawful harassment and discrimination in all aspects. All suppliers are required to support the Corporation's commitment to a safe and professional work environment and to conduct themselves appropriately in dealing with the Corporation's employees. Suspected violations of any corporate policies must be reported as detailed below in Section XI "Seeking Guidance and Reporting Violations."

## **XI. SEEKING GUIDANCE, AND REPORTING VIOLATIONS**

Suppliers must report and keep records concerning any actual or suspected violation of this Code; and/or non-compliance with any applicable law or regulation; or any corporate policy, practice, or procedure that could adversely affect the Corporation. Suppliers may contact the Ethics & Compliance Hotline (1-800-275-0170) and file a report, 24 hours a day, seven days a week. Reports involving state or federal programs may be made to the Corporation, as described above, the Centers for Medicare and Medicaid Services, or law enforcement.

When a report is made, steps will be taken to protect anonymity and confidentiality, where warranted and appropriate. The Corporation will not tolerate any form of retaliation against a person who makes a good faith report in accordance with

this Code.

All suppliers have an obligation to cooperate with the Corporation's Ethics Office openly and honestly in any corporate investigation into a reported violation of this Code, any corporate policy, practice, or procedure, compliance risk area, or any applicable law or regulation, and must also assist in the resolution of compliance issues.

## **XII. AUDITING AND MONITORING, CORRECTIVE ACTION, AND/OR TERMINATION**

Any supplier must follow the auditing and monitoring and record keeping requirements of their applicable business contract with the Corporation, including those concerning auditing and monitoring and record keeping of the supplier's compliance activities.

Any supplier who violates, enables, encourages, directs, facilitates, allows, or knowingly fails to report any violation of this Code; any non-compliance with applicable law or regulation; any Medicare sub-regulatory guidance; or any corporate policy, practice, or procedure; may result in termination of the relationship with the Corporation.

The Corporation may take other actions as appropriate to address violations of the Code by any supplier.

Any supplier who harasses or threatens an employee for reporting violations will be subject to contract termination. The Corporation will not tolerate such retaliation.

## CHAPTER THREE

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## PRODUCERS CODE OF BUSINESS CONDUCT

### I. INTRODUCTION

The Lifetime Healthcare Companies Code of Business Conduct (the "Code") applies to employees, directors, suppliers, agents and brokers of Lifetime Healthcare, Inc. and its subsidiaries and affiliates (collectively, the "Corporation.")

The Code was prepared with the advice and assistance of legal counsel and has been approved by the Lifetime Healthcare, Inc. Board of Directors. The Code is a formal statement of the Corporation's commitment to the standards and rules of ethical business conduct. It supplements the Corporation's commitment to conduct all activities in accordance with applicable laws and regulations.

This chapter of the Code specifically applies to agents and brokers (collectively "Producers") of the Corporation. All Producers of the Corporation must comply with this Code, immediately report any alleged violations and/or non-compliance, and assist the Corporation's compliance personnel in investigating allegations of wrongdoing and problem resolution. The policy of the Corporation is to prevent the occurrence of unethical, non-compliant and unlawful behavior, to halt such behavior as soon as reasonably possible after its discovery, and to sanction Producers who violate the Code, including Producers who neglect to report a violation.

It is your responsibility to understand the requirements of the Code. You may need to develop and/or maintain operational policies and procedures to ensure your compliance with the Code.

No code of conduct can cover all circumstances or anticipate every situation. Consequently, Producers encountering situations not addressed specifically by this Code should apply the overall philosophy and concepts of the Code to the situation, along with the highest ethical standards observed by honorable people everywhere. If a question still exists in your mind, the particular circumstances should be reviewed with the Ethics Office. The Ethics Office may be reached by contacting the Ethics & Compliance Hotline (1-800-275-0170). This number is toll free, confidential and for use from any location. The Hotline is answered by ComplianceLine, an external vendor with operators available twenty-four hours per day, seven days per week. An email notification is received by designated investigative staff whenever a report is received at ComplianceLine.

## **II. ETHICS**

It is the long-standing policy of the Corporation to observe all laws applicable to its business. Even where the law is permissive, the Corporation chooses the course of highest integrity. While local customs, traditions, and mores differ from place to place honesty is valued in every culture.

Producers of the Corporation must understand that how results are obtained, not just that they are obtained, is important. Producers are expected to record all transactions and non-compliance with applicable laws, rules, and regulations accurately; and to be honest and forthcoming with the Corporation, the Corporation's regulatory agencies, and internal and external auditors.

The intent of this Code is that the entire Corporation function with honesty in internal operations and in dealing with members/insureds, accounts, providers, suppliers, and all others with whom the Corporation does business.

## **III. CONFLICT OF INTEREST**

Producers must not allow any outside financial interest or competing personal interest to influence their decisions or actions taken on behalf of the Corporation. Producers must avoid any situation where a conflict exists or might appear to exist between their interests and those of the Corporation. The appearance of a conflict of interest may be as serious as an actual conflict of interest.

The Corporation will not be inappropriately influenced to purchase goods or services from any business in which a Producer or close relative of a Producer has a substantial interest. Occasional exceptions may be made when it is in the best interest of the Corporation, but only when documented and approved by senior leadership and the Chief Compliance Officer.

## **IV. MAINTENANCE OF BOOKS AND RECORDS**

Producers must record and report all transactions with or on behalf of the Corporation fully, accurately, and honestly. Records include, but are not limited to, accounting books or records, financial reports, business and time records, expense reports, vouchers, bills, payroll, membership/insured records, correspondence, and other records of communication, and claims payments records. No relevant information is to be omitted or concealed, nor may any secret or unrecorded funds or assets be created for any purpose.

## **A. Falsification of Records**

False entries must never be made in any of the Corporation's books or records or in any public record for any reason. No permanent entries in the Corporation's records may be altered in any way. No payment or receipt on behalf of the Corporation may be approved or made with the intention or understanding that any part of the payment or receipt is to be used for a purpose other than that described in the documents supporting the transaction. "Slush funds" or similar off-book accounts, where there is no accounting for receipts or expenditures on the corporate books, are strictly prohibited. It is very important that Producers not create or participate in the creation of any records that are intended to mislead or to conceal anything that is improper.

## **B. Expense Records**

Expenditures must always be charged accurately.

## **C. Retention of Records**

The retention, disposal, or destruction of records of or pertaining to the Corporation must always comply with legal and regulatory requirements, and corporate policy. Records pertaining to litigation are not to be destroyed without express written authorization from Enterprise Legal & Supplier Solutions or from the Chief Compliance Officer when the matter involves a government investigation or audit.

## **V. PROTECTION OF CONFIDENTIAL INFORMATION**

Producers may be entrusted with important confidential information that may not be released without proper authorization. Such authorization must come from corporate officials with the authority to authorize the requested disclosure. The Privacy Office or Enterprise Legal & Supplier Solutions can help identify an appropriate corporate official. When questions arise regarding whether authorization has been appropriately given, doubts should be resolved in favor of non-disclosure. The Privacy Office and Enterprise Legal & Supplier Solutions are available to assist in analyzing these issues.

Confidential information includes medical and claims information about members/insureds as well as information regarding the Corporation's business activities.

Protected health information, financial data, sales figures, planned new products/projects or planned advertising programs, areas where the Corporation intends to expand, lists of suppliers, lists of accounts, lists of prospects, lists of member/insureds, provider data, wage and salary data, capital investment plans,

projected earnings, changes in management or policies of the Corporation, testing data, suppliers' prices to the Corporation, or any plans the Corporation may have for any of its products are also confidential information.

All Producers must abide by the confidentiality obligations imposed by the Corporation. Producers must avoid even inadvertent disclosures of confidential information.

### **A. Termination of Relationship**

Once a Producer's relationship with the Corporation ends, the Producer may not take or use any confidential information gained from the relationship with the Corporation. Producers may not take or use originals or copies of any reports, manuals, proposals, or any other property belonging to the Corporation at any time.

### **B. Information Security**

Producers are responsible for properly using information stored and produced by all of the Corporation's systems. System usernames and passwords may not be shared between individuals. Any use of a username or password other than the Producer's own without the express permission of an appropriate official of the Corporation shall be considered theft of service and a violation of corporate policy.

Microcomputers, personal computers, Internet access, e-mail, or other office communications systems are intended for business-related purposes only and not for use that may be considered discriminatory, disruptive, offensive, harassing, or creating a hostile work environment for co-workers. Occasional Internet or e-mail use is permitted, though, so long as such use does not interfere with the security or effectiveness of the system, adheres to Company standards, and does not interfere with job performance.

Any questions concerning information security may be directed to the Chief Information Security Officer.

## **VI. FAIR DEALING**

Conducting business with providers, suppliers, other producers, accounts, and members/insureds on behalf of the Corporation can pose ethical problems. This Code is intended to assist in making appropriate, responsible, and correct decisions. Producers are expected to exercise good judgment and discretion in these matters.

## **A. Kickbacks and Rebates**

The purchase or sale of goods and services must not lead to the receipt of kickbacks or rebates by Producers or their families. Kickbacks or rebates may take many forms and are not limited to direct cash payments or credits. If Producers or a member of their family stands to gain personally in the form of a kickback or rebate from a transaction, the transaction is prohibited. Such practices are not only unethical, but are, in many cases, illegal.

## **B. Gifts or Gratuities**

Producers must be aware that employees of the Corporation may not accept or encourage gifts of money under any circumstances. They may not solicit non-monetary gifts, gratuities, or any other personal benefit or favor of any kind from providers, suppliers, producers, accounts, or members/insureds.

Employees and their immediate families may accept unsolicited, non-monetary gifts from a business firm or individual doing or seeking to do business with the Corporation if the gift is primarily of an advertising or promotional nature. Employees may accept a gift or gratuity of a nominal value that a business firm or individual provides to a wide spectrum of existing and potential customers. Nominal value shall be as defined by corporate policy and may be amended from time to time.

## **C. Entertainment**

Producers must be aware that employees of the Corporation may only accept entertainment if it:

- is not excessive;
- does not involve lavish expenditures; and
- is compliant with corporate policy and any applicable laws and regulations.

Offering entertainment to employees that is not a reasonable addition to a business relationship but is primarily intended to gain favor or to influence a business decision is not permitted.

## **D. Agreements with Producers**

Agreements between the Corporation and a Producer must clearly and accurately describe the services to be performed, the performance standards, and applicable compensation, if any. Compensation must be reasonable in amount. For example, payment may not be excessive in terms of industry practice, not in violation

of applicable laws and regulations, and must equal or match the value of the services rendered.

Producers receive the Corporation's Code of Conduct with the Agreement. Producers are required to acknowledge receipt and understanding of the Code and agree to abide by its provisions. Each Agreement will also include a confidentiality or Business Associate Agreement, as appropriate.

### **E. Improper Use of Funds or Assets**

Use of the Corporation's funds or assets for any improper purpose is prohibited. Examples of improper use of funds or assets include:

- payments for any unlawful or unethical purposes;
- payments outside the scope of agreements entered into by or on behalf of the Corporation; and,
- use of the Corporation's assets in violation of corporate policy or any applicable law or regulations.

A Producer who knows or has reason to know of an actual or potential improper use of the Corporation's funds or assets has an obligation to report it to the Ethics Office. The Ethics Office may be reached by contacting the Ethics & Compliance Hotline (1-800-275-0170) and requesting that the Ethics Office return the call.

## **VII. FEDERAL AND STATE CONTRACTS; FEDERAL PROCUREMENT**

### **A. Gifts to Government and Public Officials**

Federal and state statutory provisions prohibit public officials, including employees, from accepting anything of value, subject to reasonable exceptions such as modest items of food and refreshments. No Producer shall either offer or make a gift to a federal or state public official on behalf of the Corporation.

It is also illegal for any person to give a gift or to offer or promise anything of value to a public official for or because of any official act performed or to be performed by such official. Additionally, it is a crime to make a payment to a public official as compensation for public duties performed.

## B. Federal Procurement

The Corporation is subject to the Federal Procurement Integrity Act when bidding on a federal contract, such as a Medicare Advantage contract. This law restricts certain business conduct for a company seeking to obtain work from the federal government. During the bidding process, Producers, on behalf of the Corporation, may not:

- offer or discuss employment or business opportunities at the Corporation with any agency procurement official;
- offer or give gratuities or anything of value to any agency procurement official; or,
- seek to obtain any confidential information about the selection criteria before the government awards the contract. This includes information submitted by another company in a bid or proposal and marked “Proprietary,” as well as the selection criteria and the evaluation of bids and proposals.

## VIII. FEDERAL AND STATE PROGRAMS

The Corporation is committed to abiding by the laws and regulations that govern the state and federal programs with which it participates. Accordingly, in addition to the government programs contracts with state and federal regulators, you are required to comply with all applicable statutory, regulatory, and other requirements of the Medicaid program, the Medicare program, including the requirements applicable to Dual Eligible Special Needs Plans (D-SNPs) and the Medicare Part D program, and the Patient Protection and Affordable Care Act. You are also required to comply with the Corporation’s fraud, waste, and abuse policies and procedures.

The key federal and state laws with which you must comply in the administration of federal and state programs include, but are not limited to, the following:

1. False Claims Acts and related whistleblower (anti-retaliation) protections
2. Federal Administrative Remedies for False Claims
3. Anti-Kickback Statutes
4. Health Insurance Portability and Accountability Act (HIPAA), as amended under the Health Information Technology for Economic and Clinical Health (HITECH) Act, and the regulations at 45 C.F.R. Parts 160, 162, and 164
5. Patient Protection and Affordable Care Act
6. Beneficiary Inducement Statute
7. Physician Self-Referral (Stark) Laws
8. Fraud Enforcement and Recovery Act of 2009
9. Medicare, Title XVIII of the Social Security Act

10. Medicaid, Title XIX of the Social Security Act and New York Social Services Law Article 5, Title 11
11. Federal and New York Criminal False Claims Acts
12. Civil Monetary Penalties Law
13. Mental Health and Substance Abuse Parity Laws, including the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act, 29 U.S.C. section 1185a (MHPAEA) and 11 NYCRR Part 230 (Regulation 218)
14. New York State Insurance Law sections 3216, 3217-a, 3217-b, 3221, and 4303
15. New York State Office of the Medicaid Inspector General (OMIG) Compliance Program Requirements, including 18 NYCRR Part 521-1 – 521-3
16. Prohibitions against Employing or Contracting with Excluded Persons or Entities
17. Out-of-Network and No-Surprise Billing Laws

In addition to the laws specifically referenced above, you must comply with the accompanying federal and state regulations (found in the Code of Federal Regulations (CFR), and the New York State Codes, Rules and Regulations (NYCRR)) as well as regulatory/policy guidance issued by the Centers for Medicare and Medicaid Services, Health and Human Services, Office of Inspector General, New York State Department of Health, Office of Medicaid Inspector General, and other government program authorities, including requirements in the Medicare Managed Care Manual and the Prescription Drug Benefit Manual. If you have any questions regarding the obligations set forth in these laws, contact your immediate leader, a representative of the Regulatory Compliance Government Programs team, the Medicare Compliance Officer, or Chief Compliance Officer.

## **IX. GOVERNMENTAL INVESTIGATIONS**

From time to time, the Corporation may be asked to cooperate with a governmental examination or investigation or respond to a request for information. A request may be addressed formally to the Corporation or directed informally to an individual within the Corporation by a regulator or enforcement agency. All Producers are required to report requests for information or cooperation to the Chief Compliance Officer by contacting the Ethics & Compliance Hotline (1-800-275-0170) and requesting that the Chief Compliance Officer return the call.

## **X. WORK ENVIRONMENT**

All Producers must comply with all applicable laws and regulations and corporate policies affecting safety, health, and the environment. It is the policy of the



Corporation to maintain an environment that is free from violence, drugs, alcohol, and the effects of violence, drugs, and alcohol.

The Corporation is committed to providing a work environment that is free of unlawful harassment and discrimination in all aspects. All Producers are required to support the Corporation's commitment to a safe and professional work environment and to conduct themselves appropriately in dealing with the Corporation's employees. Suspected violations of any corporate policies must be reported as detailed below in Section XI "Seeking Guidance and Reporting Violations."

## **XI. SEEKING GUIDANCE AND REPORTING VIOLATIONS**

Producers must report any actual or suspected violation of this Code; any applicable law or regulation; or any corporate policy, practice, or procedure that could adversely affect the Corporation. Producers may make reports to the Ethics Office by contacting the Ethics & Compliance Hotline (1-800-275-0170) and requesting that the Ethics Office return the call. Reports involving state or federal programs may be made to the Corporation, as described above, the Centers for Medicare and Medicaid Services, or law enforcement.

When a report is made, steps will be taken to protect anonymity and confidentiality, where warranted and appropriate. The Corporation will not tolerate any form of retaliation against a person who makes a good-faith report in accordance with this Code.

All Producers have an obligation to cooperate openly and honestly in any corporate investigation into a reported violation of this Code, any corporate policy, practice, or procedure, or any applicable law or regulation.

## **XII. CORRECTIVE ACTION AND/OR TERMINATION**

Any Producer who violates, enables, encourages, directs, facilitates, allows, or knowingly fails to report any violation of this Code; any applicable law or regulation; any Medicare sub-regulatory guidance; or any corporate policy, practice, or procedure; may result in termination of the relationship with the Corporation.

The Corporation may take other actions as appropriate to address violations of the Code by any Producer.

Any Producer who harasses or threatens an employee for reporting violations will be subject to termination. The Corporation will not tolerate such retaliation.