

Ethics and Compliance Policies and Procedures Manual

EC.001 — CODE OF BUSINESS CONDUCT AND ETHICS

SECTION	Ethics and Compliance	LAST REVISION DATE:	7/15/2020
SUBJECT	Code of Business Conduct and Ethics	LAST REVIEW DATE:	7/15/2020
POLICY NUMBER:	EC.001	APPROVED BY:	Board of Directors

I. POLICY

MoreCare is committed to conducting business and treating people with the highest standards of honesty, integrity and fairness. The purpose of this Code of Business Conduct and Ethics (the “Code of Conduct” or “Code”) is to provide basic guidelines for situations in which ethical issues arise. It is not intended to replace good judgment and common sense but serves as a guide and minimum standard of conduct. This Code is part of a broader set of policies and procedures described in greater detail in our manuals and the Employee Handbook. This Code is not intended to supersede or alter those policies and procedures.

If you have questions about how to handle a situation or ever believe that we are failing to live up to our commitment, let us know. Speak to a member of our Compliance Committee, the Compliance Officer, or contact our Compliance Hotline at 1.844.930.0006. Calls to the Hotline can be made anonymously, if you wish. MoreCare prohibits retaliation and intimidation for good faith reporting or participating in an investigation of a possible Code of Conduct violation. This includes but is not limited to, reporting potential issues, investigating issues, conducting self-evaluations, audits and remedial actions, and reporting to appropriate officials. You may also report compliance concerns via email, at reports@lighthouse-services.com, and use MoreCare name in subject line.

II. DEFINITIONS

Terms are used in this Code of Conduct are defined below.

- A. **Fraud** means knowingly and willfully executing, or attempting to execute, a scheme or artifice to defraud any health care benefit program or to obtain (by means of false or fraudulent pretenses, representations, or promises) any of the money or property owned by, or under the custody or control of, any health care benefit program. 18 U.S.C. § 1347.
- B. **Waste** means the overutilization of services, or other practices that, directly or indirectly, result in unnecessary costs to the healthcare system, and Medicaid and Medicare programs. Waste is generally not considered to be caused by criminally negligent actions but rather the misuse of resources.
- C. **Abuse** means actions that may, directly or indirectly, result in: unnecessary costs to the health care system and Medicaid and Medicare Programs, improper payment, payment for services that fail to meet professionally recognized standards of care, or services that

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are not medically necessary. Abuse involves payment for items or services when there is no legal entitlement to that payment and the provider has not knowingly and/or intentionally misrepresented facts to obtain payment. Abuse cannot be differentiated categorically from fraud, because the distinction between “fraud” and “abuse” depends on specific facts and circumstances, intent and prior knowledge, and available evidence, among other factors.

- D. **FWA** means fraud, waste and abuse. Examples of FWA include:
1. Knowingly altering claim forms, medical records, or receipts to receive a higher payment
 2. Conducting excessive office visits or writing excessive prescriptions
 3. Unknowingly misusing codes on a claim, such as upcoding or unbundling codes
- E. **First Tier Entity** is any party that enters into an acceptable written arrangement with MoreCare to provide administrative services or health care services. Example: a call center contracted with MoreCare.
- F. **Downstream Entity** is an organization or individual that enters into an acceptable written arrangement below the level of the arrangement between MoreCare and a First Tier Entity. This continues down to the level of the ultimate provider of a service or product. Example: A hospital within a health system that has entered into a system level agreement.
- G. **Related Entity** means any entity that is related to MoreCare by common ownership or control. It must:
1. Perform some of MoreCare’s management functions under contract or delegation;
 2. Furnish services to enrollees under an oral or written agreement; or
 3. Lease real property or sells materials to MoreCare at a cost of more than \$2,500 during a contract period. (See, 42 C.F.R. §423.501).
- H. **FDR** means First Tier, Downstream or Related Entity.

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III. PROCEDURAL GUIDELINES

A. Your Obligations:

We expect all of our employees, officers and our Board of Directors to know and follow our Code of Conduct. Failure to do so can result in disciplinary action – up to and including termination of employment or the termination of our business relationship.

The actions of every person associated with MoreCare can affect our reputation and the integrity of the organization. It is therefore essential that you take the time to review this Code and develop a working knowledge of its provisions.

You are required to complete a certificate attesting to compliance with the Code upon becoming an employee, officer or member of our Board of Managers and on an annual basis thereafter.

At all times, you are expected to:

1. Avoid conflicts between personal and professional interests where possible;
2. Comply with MoreCare's Conflict of Interest Policy and pursue the ethical handling of conflicts (whether actual or apparent) when conflicts or the appearance of conflicts are unavoidable;
3. Provide accurate and complete information in the course of fulfilling your obligations;
4. Communicate information in a timely manner;
5. Provide full, fair, accurate, timely and understandable disclosure in reports required to be filed by MoreCare with regulators, government agencies and in other public communications made by our organization;
6. Comply with all applicable laws, rules, regulations and our policies;
7. Seek guidance where necessary from MoreCare's Compliance Officer, legal counsel or a member of our Compliance Committee;
8. Promptly report any violations of this Code to your supervisor or the Compliance Officer;

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9. Promptly report any instances of suspected fraud, waste, or abuse; and
10. Be accountable personally for adherence to this Code.

WHO DO I CONTACT FOR GUIDANCE OR TO REPORT CONCERNS?

If you believe a situation may involve or lead to a violation of this Code, you have an affirmative duty to seek guidance and report your concerns.

- **Seek guidance** from a responsible supervisor or other appropriate internal authority (for example, your CEO, Compliance Officer at Compliance-mc@MoreCareil.com or written correspondence to MoreCare Compliance Officer at 180 North Stetson, Suite 600-1, Chicago, IL 60601, or legal counsel)
- **Disclose concerns or violations** of this Code to your supervisor or the Compliance Officer
- **Report audit or accounting concerns** to the Compliance Hotline or the Board of Directors

Camille Trunkett, Compliance Officer, Privacy Officer

MoreCare

Two Prudential Plaza

180 N. Stetson, Suite 600-1

Chicago, IL 60601

ctrunkett@morecareil.com

312-883-8398

ANONYMOUS COMPLIANCE HOTLINE:

1.844.930.0006

or

reports@lighthouse-services.com (use MoreCare name in report)

The Compliance Committee is responsible for overseeing investigations of all reports of suspected, detected or reported noncompliance, FWA violations or other questionable conduct. MoreCare has a system in place to conduct investigations. Reports are investigated promptly and treated confidentially as possible. If you want to remain anonymous when reporting an issue, please provide enough detail to enable MoreCare to investigate

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B. Compliance with Laws, Rules and Regulations:

In carrying out your duties as an employee, officer, member of Board of Directors, or an FDR of MoreCare, you are required to comply with all applicable laws, rules and regulations. Violation of laws and regulations may subject you and MoreCare to civil and/or criminal penalties. To assure compliance with applicable laws and regulations, we have established various policies and procedures, including those set forth in our Employee Manual and the Compliance Manual. You have an obligation to comply with these policies and procedures.

Certain legal obligations and policies that are especially important are summarized below.

Legal and compliance requirements are especially complex in the health care industry. To comply with the law, you must learn enough about the federal, state and local laws that affect your work at MoreCare so that you can spot potential issues and get proper guidance on the right way to proceed.

When there is any doubt about the lawfulness of any activity, you should seek advice from our Compliance Officer or legal counsel.

C. Conflicts of Interest:

MoreCare expects you to exercise good judgment and the highest ethical standards in your activities on behalf of our organization, as well as in your private activities outside of the organization. Particular care should be taken to ensure that no detriment to MoreCare's interests (or the appearance of a detriment) may result from a conflict between MoreCare's interests and any personal or business interests you may have. In particular, you have an obligation to avoid any activity, agreement, business investment or interest or situation that might conflict or appear to conflict with your obligations to MoreCare. If it is not feasible to avoid a potential conflict, you must disclose the situation to the Compliance Officer (or a supervisor, if applicable), so the management team, legal counsel, and (if necessary) the MoreCare Board of Directors can ensure that the potential conflict is evaluated and managed appropriately.

It is not possible to describe or anticipate all the circumstances that might involve a conflict of interest, but the following are some questions you can ask to help determine whether a potential conflict exists:

1. Does the situation make it difficult to perform your work objectively or effectively?

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2. Would you, or someone associated with you (for example, a friend, family member or business in which you have an interest) receive benefits because of your position or relationship with MoreCare?
3. Would you or someone associated with you benefit from a contract or transaction with MoreCare?

In all situations where even the appearance of a conflict exists, you must disclose the nature of the conflict to the Compliance Officer, legal counsel or a member of the Board of Directors. We will work with you to determine what to do next. Managers, officers and others who have the ability to exercise significant influence over MoreCare are required to comply with the Conflict of Interest Policy.

D. Community, Political, Charitable and Other Outside Activities:

We encourage participation in community activities. However, employees should avoid any outside personal interest or activity (whether or not for profit) that will interfere with their duties to MoreCare. As a guideline, such activities should not encroach on time or attention employees should be devoting to our business, imply MoreCare's sponsorship or support without express approval by MoreCare, or adversely affect the reputation of our organization.

No employee shall publicly use any affiliation of MoreCare in connection with the promotion of partisan politics, religious matters or positions on any issue not in conformity with the official position of MoreCare.

E. Protection and Proper Use of MoreCare Health Assets:

You have a personal responsibility to protect MoreCare assets from misuse or misappropriation. MoreCare assets include tangible assets, such as products, equipment and facilities, as well as intangible assets, such as intellectual property, trade secrets, reputation and business information (including any non-public information learned as an employee, officer or director of MoreCare).

1. Theft or Misuse of Assets

MoreCare's assets may only be used for business purposes and such other purposes as are approved by MoreCare. You must not take, make use of or knowingly misappropriate Company assets for personal use, for use by another, or for an improper or illegal purpose. You are not permitted to remove, dispose of or destroy anything of value belonging to MoreCare without express prior written consent, including physical items and electronic information.

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2. Confidential Information and Privacy

We are entrusted with managing and securing a great deal of sensitive, protected and confidential information. The legal, business and personal consequences of failing to maintain the confidentiality and security of that information can be very severe. You must not use or disclose any protected or confidential information to any person or entity outside of our Company, either during or after service with MoreCare, except in accordance with our written policies, procedures or authorizations or as may be otherwise required by law or regulation. You may not use confidential information for your own personal benefit or the benefit of persons or entities outside of MoreCare.

Confidential information includes all non-public information learned as an MoreCare employee, officer or director. Confidential information may be defined differently in some of our contractual arrangements, but in the context of this Code of Conduct it includes, but is not limited to:

- a) Protected Health Information (“PHI”), which must be handled in accordance with state and federal laws, as well as MoreCare’s policies and procedures.
- b) Non-public information that might be (1) of use to suppliers, vendors, joint venture partners or others, (2) of interest to the press, or (3) harmful to MoreCare or any of its constituents, if disclosed;
- c) Non-public information relating to our operations, including financial information, mailing lists and any information relating to fundraising (including fundraising efforts, plans, ideas and proposals), minutes, reports and materials of the Board of Directors and its committees, and other documents identified as confidential;
- d) Non-public information about discussions and deliberations, relating to business issues and decisions, between and among employees, officers and managers or provider participants; and
- e) Non-public information about fellow employees, managers, officers or any other individuals about whom MoreCare may hold information from time to time.

3. Outside Communication

MoreCare is committed to providing full, fair and accurate disclosure in all public communications, in compliance with all applicable laws, regulations and rules.

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Consistent with this commitment, employees may not answer questions from the media or any other members of the public unless specifically authorized to do so. If you receive such an inquiry, you should obtain the name of the person and their contact information and immediately notify the MoreCare CEO.

As individuals we all have rights to speak out on issues, including in a public forum, whether at your town hall or on a social networking media application or website. This Code and MoreCare's policies (including the Network Use policies summarized below) are not intended to restrict communications or actions protected or required by state or federal law. However, when you speak as an individual it is critical that you do not give the appearance of speaking or acting on MoreCare's behalf and that you do not speak about confidential Company information. You should be especially aware of the broad reach of social networking media applications and websites, and that such media is increasingly being monitored by customers, competitors, regulators and colleagues. Your comments may be attributed to MoreCare, even though you did not intend for your comments to be attributed that way.

Additionally, even seemingly insignificant work-related comments carry the risk of inadvertent disclosures of confidential information. Sharing confidential information in social media sites is strictly prohibited and subject to disciplinary action up to and including termination of employment. In some cases, improper disclosures of confidential information can also be the basis for severe civil and/or criminal liability.

F. Network Use, Integrity, & Security:

MoreCare reserves the right to monitor or review any and all data and information contained on any employee's or officer's computer or other electronic device issued by MoreCare. In addition, MoreCare reserves the right to monitor or review an employee's or officer's use of the Internet, MoreCare intranet and Company email or any other MoreCare electronic systems without prior notice.

Access to MoreCare Systems will be revoked and disciplinary action may be taken in the event that such systems are used to commit illegal acts, or to violate the non-discrimination, harassment, solicitation or privacy and security policies, or proprietary information terms of this Code, the MoreCare Employee Manual, or other MoreCare policies and procedures.

In order to maintain systems integrity and protect MoreCare's network, no employee should divulge any passwords used to access any MoreCare computer, database, or documents. Any suspected breach of MoreCare's network security systems should be reported to the MoreCare Security Officer and Compliance Officer immediately.

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E-mail and downloading from the internet are prime sources of viruses and other malicious software. No one may download or install any software or shareware to their hard drive that is not expressly authorized or approved by the MoreCare Security Officer. In addition, employees may not accept the terms or conditions of website agreements without first obtaining approval from the MoreCare Legal Counsel. Please refer to our security policies, including the Appropriate Use of Communications Resources (EC.011) for additional information.

No employee or officer should engage in the unauthorized use, copying, distribution or alteration of computer software, whether obtained from outside sources or developed internally. All software, including “shareware,” contains terms of use that must be adhered to.

G. **Illegal Payments:**

No illegal payments of any kind are to be made to any local, state, or federal government officials of the United States (or any other country, territory, or municipality) at any time or under any circumstances. Moreover, no funds or other assets of MoreCare are to be paid, directly or indirectly, to government officials or persons acting on their behalf, or to representatives of other businesses for the purpose of influencing decisions or actions with respect to MoreCare’s activities. Kickbacks to or from any person are prohibited.

Health care laws and regulations regarding payments that can be perceived as improper or kickbacks are complicated and often are counterintuitive. Many activities that are considered normal business practices in other industries (including some entertainment and marketing activities) can be grounds for severe sanctions under federal and state health care laws. Please pay close attention to MoreCare compliance and training materials regarding this complicated area of the law; when in doubt, ask for guidance.

- **Under no circumstance is it acceptable for you to offer, give, solicit or receive any form of bribe, kickback, payoff or improper inducement.**
- **Any question as to whether a gift, payment, inducement or activity might be considered improper must be discussed with our legal counsel.**
- **You may not, under any circumstances, use agents, consultants, independent contractors or other representatives to do indirectly what you could not do directly under this Code or applicable law, rules and regulations.**

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H. **Maintaining a Safe, Healthy and Affirmative Workplace:**

As noted in our Employee Manual and other policies and procedures, MoreCare is an equal opportunity employer and bases its recruitment, employment, development and promotion decisions solely on a person's ability and potential in relation to the needs of the job. We comply with local, state and federal employment laws, and make reasonable job-related accommodations for any qualified employee or officer with a disability when we are notified by the employee that an accommodation is required.

MoreCare is committed to a workplace that is free from sexual, racial, or other unlawful harassment, and free from threats or acts of violence or physical intimidation. Abusive, harassing or other offensive conduct is unacceptable, whether verbal, physical or visual. If you believe that you have been harassed or threatened with or subjected to physical violence in or related to the workplace, you should report the incident to the Compliance Officer, the CEO, the Compliance Hotline, or to our legal counsel, so that MoreCare can arrange for it to be investigated. All efforts will be made to handle the investigation confidentially.

We will not tolerate the possession, use or distribution of offensive materials on Company property, or the use of MoreCare's computers, communications systems, or other equipment to obtain view such materials. All employees and officers must promptly contact the Compliance Officer or our legal counsel about the existence of offensive materials on the Company's systems or premises so that appropriate action may be taken, including notifying the proper authorities if necessary.

MoreCare is committed to providing a drug-free work environment. The illegal possession, distribution, or use of any controlled substances on Company premises or at Company functions is strictly prohibited. Similarly, reporting to work under the influence of any illegal drug or alcohol and the abuse of alcohol or medications in the workplace violates this Code.

All accidents, injuries, or concerns about unsafe equipment, practices, conditions or other potential hazards should be immediately reported to the Compliance Officer.

I. **Accounting Practices, Books and Record Retention:**

Honest and accurate recording and reporting of information is critical to our ability to make responsible business decisions. You have a strict obligation to provide accurate information in MoreCare records.

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You are expected to support MoreCare's efforts in fully and fairly disclosing the financial condition of the organization in compliance with applicable accounting principles, laws, rules and regulations. You are also expected to support our commitment to making full, fair, accurate, timely and understandable disclosure in our reports filed with regulatory agencies and other communications. Our financial statements and the books and records on which they are based must accurately reflect all transactions and conform to all legal and accounting requirements and our system of internal controls.

All employees, officers and managers have a responsibility to ensure that the Company's accounting records do not contain any false or misleading entries. We do not tolerate any intentional misclassification of transactions as to accounts, departments or accounting periods and, in particular:

1. All accounting records, as well as reports produced from those records, are to be kept and presented in accordance with law and are to comply with generally accepted accounting principles;
2. All records are to fairly and accurately reflect the transactions or occurrences to which they relate;
3. All records are to fairly and accurately reflect in reasonable detail MoreCare's assets, liabilities, revenues and expenses;
4. No accounting records are to contain any false or misleading entries;
5. All transactions are to be supported by accurate documentation in reasonable detail and recorded in the proper account and in the proper accounting period; and
6. Our system of internal accounting controls, including compensation controls, must be followed at all times.

Always record data in a timely and accurate manner. This protects MoreCare's resources and meets the expectations of the people who rely on the accuracy of Company records to perform their jobs. Falsifying business records is a serious offense, which may result in criminal prosecution, civil action and/or disciplinary action up to and including termination of employment. If you are authorized to make expenditures or enter into transactions on behalf of the Company, you must ensure that the applicable records comply with our accounting and purchasing policies and that all transactions are recorded properly.

Similarly, you must accurately and truthfully complete all records used to determine compensation or expense reimbursement. This includes, among other items, reporting hours

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worked (including overtime, if applicable), and reimbursable expenses (including travel and meals).

Compliance with the Records Retention Policy and Procedures is mandatory. Destroying or altering a document with the intent to impair the document's integrity or availability for use in any potential official proceeding is a crime. ***Destruction of records may only take place in compliance with MoreCare's Records Retention Policy and Procedures.*** Documents relevant to any pending, threatened or anticipated litigation, investigation or audit shall not be destroyed for any reason. If you believe that MoreCare records are being improperly altered or destroyed, you should report it to the Compliance Officer or our legal counsel immediately

J. **Violations of This Code:**

Alleged violations of this Code will be reviewed and investigated by our legal counsel or, in appropriate circumstances, by the MoreCare Board of Directors. **Violations of this Code will be subject to disciplinary action. Failure to comply with MoreCare's Code of Conduct, policies and procedures or applicable laws may result in consequences including suspension of work duties, diminution of responsibilities or demotion, and termination of employment or board service.**

IV. **FORMS**

- Certification of Compliance
- Annual Re-Acknowledgment of Policies

V. **RELATED POLICIES**

- EC.002 - Code of Conduct Distribution and Training Policy
- EC.003 - Conflict of Interest Policy
- EC.007 – Reporting Compliance Issues
- MoreCare Employee Manual - Prohibited Harassment Policy
- EC.008 - Non-Retaliation Policy
- EC.010 – Internal Handling of Hotline Calls
- HIM.009 - Permitted Use and Disclosure of PHI as a Business Associate
- HIM.027 – Data Retention and Destruction Policy
- Appendix 9 - Records Retention Policy Acceptable Use Policy

VI. **REFERENCES AND ACCREDITATION AUTHORITIES**

- United States Sentencing Commission, Guidelines Manual, §8B2.1 (Nov. 2012), available at

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http://www.ussc.gov/Guidelines/2012_Guidelines/Manual_PDF/2012_Guidelines_Manual_Full.pdf

- Department of Health and Human Services Office of Inspector General (“HHS OIG”), Compliance Guidance for Health Care Boards, available at: <https://oig.hhs.gov/compliance/compliance-guidance/compliance-resource-material.asp>
- HHS OIG, Compliance Guidance for Medicare + Choice Plans, available at: <https://oig.hhs.gov/fraud/docs/complianceguidance/111599.pdf>

VII. REVIEW STATEMENT

MoreCare will maintain the status of this activity and conduct audits as appropriate to ensure compliance. This policy will be reviewed every year or in timely response to changes in local or federal regulations. Modifications to the procedure will be made as needed.

VIII. CHANGE HISTORY

8/6/19 Revised phone line for Hotline

9/6/2019 Added Privacy Officer under **WHO DO I CONTACT FOR GUIDANCE OR TO REPORT CONCERNS?**

6/17/20

I. Policy- added MoreCare name to reporting subject line

III.A Procedural Guidelines -changed to MoreCare Board of Directors from Managers. Changed 8 and 10 to report to supervisor or the Compliance Officer (removed legal counsel reference).

III. I Accounting Practices, Books and Record Retention added intentional to misclassification.