



<b>Policy No.</b> 2002.002	<b>Responsible Area:</b> Corporate Compliance Department	
<b>Date Approved:</b>	<b>Approved by:</b> Board of Directors	<b>Date Revised:</b> 06/23/2009                      3/7/2017 11/09/2009 04/22/2010 07/15/2010 07/15/2011 07/15/2012 11/29/2012 07/15/2013 07/15/2014 07/15/2015 07/15/2016

## INTRODUCTION

### **Our Commitment to Ethical Business Conduct at Medical Mutual of Ohio**

Medical Mutual is not only the oldest and largest health insurance company in Ohio, but it is also one of the oldest in the nation. When our Company was founded, we weren't even called an insurance company – we were considered to be a hospital service association. A company does not stay in business very long if it does not make a commitment to be honest and ethical.

Loyal, dedicated and hard working employees like you establish and protect our reputation. Your commitment to conduct business with the highest degree of honesty, integrity and professionalism is what allows our Company to succeed.

Maintaining these high ethical standards is an effort that continues on a daily basis. By keeping our values, we make a commitment to our customers, sales agents, healthcare providers, communities, vendors and ourselves in maintaining a culture of honesty and integrity, which builds confidence and trust.

I am asking for your commitment to embrace the high ethical standards that have enabled our Company to stand the test of time.

Rick Chiricosta  
Chairman, President and CEO

*We must  
conduct  
business to  
the highest  
degree of  
integrity  
and  
honesty.*

# TABLE OF CONTENTS

	<u>PAGE</u>
<u>Reporting Violations</u> .....	3
<u>Compliance Officer and Policy</u> .....	4
<u>Responsibilities</u> .....	5
<u>Personal Behavior</u> .....	6
<u>Unlawful Harassment</u> .....	8
<u>Anti-Fraternization</u> .....	9
<u>Workplace Bullying</u> .....	10
<u>Conflict of Interest</u> .....	11
<u>Related Party Transactions</u> .....	13
<u>Gifts, Entertainment, and Third Party Travel</u> .....	15
<u>Social Media Guidelines</u> .....	18
<u>News Media Guidelines</u> .....	19
<u>Political Activities</u> .....	20
<u>Company Funds and Property</u> .....	21
<u>Vendor Expectations</u> .....	23
<u>Government Regulations</u> .....	24
<u>Accounting Policy and Financial Reporting</u> .....	27
<u>Fraud and Abuse</u> .....	28
<u>Record Management</u> .....	29

This Code of Conduct is not intended to express or imply a contract or promise of employment, nor is it intended to alter the employment-at-will relationship in any way. Violation of the Code of Conduct in any way is subject to corrective action, up to and including termination of employment. The Company may add to, revoke or modify this Code at any time, with or without notice.

## REPORTING VIOLATIONS

As employees, we are obligated to report issues involving ethical or compliance violations promptly. If any of us are uncomfortable discussing these issues with our managers or Human Resources, we can raise them directly with our Chief Compliance Officer.

We can also anonymously report any Code of Conduct violation as follows:

<b>Compliance Helpline</b>	1-800-762-8130
<b>Compliance Connection</b>	mmo.intercedeservices.com
<b>Interoffice Mail</b>	Chief Compliance Officer 01-10B-1900

These options are available for us to ask questions regarding the Code and to report possible violations. All reports received are confidential.

It is not necessary to identify ourselves when reporting a violation. However, it is necessary to provide enough information about the incident to allow the Chief Compliance Officer to look into it. Anonymity is preserved and no attempt is made to identify us. All conversations are considered confidential and are not recorded.

### Non-Retaliation

All reports, whether via phone, internet, or mail, can be made without fear of retaliation. We will not be punished or retaliated against by the Company if we report a suspected violation of this Code. For more information, please read the [Non-Retaliation Policy](#).

### Question and Answer

***Q: If you don't know my name, how will I get an answer to my question or know if anything happened regarding the possible violation I reported?***

*A: All inquiries through the Compliance Helpline and Compliance Connection website are assigned case numbers. If you wish to remain anonymous, you will receive a reference number to use when you call for an update. In most cases, we will not be able to provide details on the outcome, but can let you know that appropriate action has been taken to address the situation.*

***Q: What will happen if someone makes a false report in order to get me into trouble?***

*A: All investigations are handled professionally and objectively. Intentionally making false accusations is a serious violation and may lead to disciplinary action, up to and including termination of employment.*

*Reporting violations will not result in retaliation.*

## COMPLIANCE OFFICER AND POLICY

Our reputation for integrity depends on the actions of our Board of Directors, officers, and employees. Any reporting of any violation of this Code or applicable law will be managed by or escalated under the direction of the Chief Compliance Officer and the results will be reported appropriately to the Audit Committee of the Board of Directors.

The Chief Compliance Officer is responsible for compliance monitoring and Code of Conduct training and enforcement. Questions or concerns about the Code should be reported to the Chief Compliance Officer.

*We must  
remain  
compliant  
at all  
times.*

## RESPONSIBILITIES

*The integrity and reputation of our Company and subsidiaries depend on the actions of our employees, officers, and directors.*

### **To maintain our high standards, we must:**

- Be familiar with the Code and follow Company policies and procedures. Being unaware of corporate policies and procedures or using poor judgment are not appropriate reasons for violations. If we violate the Code, we could receive discipline up to and including discharge.
- Appropriately consider our Company's values when making decisions or taking action on behalf of our Company.
- Report suspected Code of Conduct violations promptly.
- Cooperate with all investigations.
- Perform assigned tasks in a responsible, reliable and cooperative manner.
- Avoid any situation that could create a conflict between our personal interests and those of our Company.
- Protect the assets of our Company, including confidential and proprietary information.
- Expect all business partners to do business with the highest degree of ethical behavior and follow policies discussed in this Code.
- Preserve our reputation and represent our Company in an ethical manner.
- Remain sensitive to the needs and expectations of our policyholders, coworkers, providers, government agencies, and the communities we serve.
- Display professionalism at all times when interacting with customers, business partners, and each other.

### **Question and Answer**

***Q:** Does our executive management really care about how I am treated by my manager?*

***A:** Yes they do; the Code of Conduct and all Company policies apply to all of us.*

*We must abide by our Code and use it to guide our conduct.*

## PERSONAL BEHAVIOR

*We must always exhibit personal behavior that enhances our professional development, displays high ethical values, and protects our Company from harm.*

### **It is our personal responsibility to:**

*Personal behavior is important to our reputation.*

- Maintain a work environment where everyone is treated with respect, honesty, and dignity and avoid conduct that interferes with the operations of or discredits the Company or its employees.
- Comply with all Company policies.
- Help ensure that Company business is conducted on an inclusive basis that develops and maintains a culture of diversity in our Company.
- Use our Company's resources, including time, equipment, supplies and facilities, responsibly. This reduces Company costs. An accurate accounting of expenses incurred on behalf of our Company must be reported through expense reports.
- Never commit theft or misappropriation of our Company's funds, records and reports.
- Never destroy Company property.
- Never make false, misleading or purposefully inaccurate statements to coworkers, customers, business partners, regulators or law enforcement officials.
- Never report to work under the influence of alcohol, illegal drugs or controlled substances. Also, we must not be involved in the sale, manufacture, distribution or possession of illegal substances or drug paraphernalia, particularly on Company premises, on Company business, or while operating a vehicle while on Company business.
- Never attend a company function or event in an intoxicated state or behave in a disorderly manner in any instance while at work or when acting as a representative of the company, including events outside of the office when other employees, vendors, customers or prospective customers are present.
- Never possess weapons of any kind on Company property or at work-related events or functions.
- Never engage in conduct that violates federal or state laws or regulations, such as violent behavior, sexual harassment or discrimination.
- Never engage in conduct that violates our Company's commitment to establishing and maintaining an inclusive and diverse workforce and supplier network.

## PERSONAL BEHAVIOR (CONT'D)

### Question and Answer

***Q: I'm worried about a co-worker who I think is using drugs. Should I report this?***

*A: Yes, you should report this. Our Company is concerned about the health and safety of all employees. Our initial response would be to offer help to the employee if the allegation is confirmed.*

***Q: I sell magazine subscriptions for a little extra income. Can I set up a display near my desk?***

*A: No. Our Company policy prohibits solicitation and conducting personal business on company premises during work hours and in work areas. For more information, please read our Company's [Solicitation policy](#).*

***Q. At a recent business dinner I was offered an alcoholic beverage. It is okay to accept the offer and have a drink?***

*A. Yes. However, you must always remain aware of your behavior and maintain a professional demeanor at all times. At no time should you attend a Company function or event in an intoxicated state or act in a disorderly manner while at work or when employees, vendors, customers or prospective customers are present.*

***Q. I noticed one of my co-workers eavesdropping on a conversation I was having with another co-worker. Can I report this?***

*A. Yes. Eavesdropping could be viewed as disrespecting one's privacy. It is our responsibility to behave in a way that promotes trust, honesty, and integrity. For more information, please read our Company's [Intercepting Private Communications](#) policy.*

## UNLAWFUL HARASSMENT

*Our Company is committed to creating a work environment that is ethical, respectful, and productive. We support this goal by not tolerating or engaging in harassment. Harassment not only violates Company policy; it is also against the law.*

*Any type of harassment is against the law.*

Harassment occurs when unwelcomed conduct affects a person's job. It can include unwelcoming or insulting comments and other verbal or physical conduct that makes a person feel uncomfortable. Harassment is against the law and against our Company standards. See the [Sexual Harassment and Workplace Harassment Policy](#) for more information.

Our Company will not tolerate any type of harassment. Victims of harassment should report the harassment to our managers, the Human Resources Department, *Compliance Connection*, or via the *Compliance Helpline*. If our manager is involved, we should report the harassment to Human Resources, *Compliance Connection* or the *Compliance Helpline* immediately.

We must also encourage our fellow employees who are victims of harassment to report the offense promptly. Be assured that any involvement in reporting actual or suspected violations or participating in an investigation will not result in retaliation.

### Question and Answer

*Q: I have a co-worker who told me her manager makes offensive comments to her about her gender. Can I report this?*

*A: Yes. Even though you are not the victim of the offensive conduct, you should still report this to Human Resources, the Compliance Helpline or via Compliance Connection.*

*Q: My manager has invited me to a meeting that will help get new business for our Company. When my manager informed me of the meeting, she said she would take care of the presentation and all I had to do was "look good as always." It made me feel uncomfortable. What should I do?*

*A: Inappropriate comments from employees can be uncomfortable and might lead to the creation of a hostile work environment for you and your co-workers. These types of comments should be reported to Human Resources, the Compliance Helpline, or the Compliance Connection website.*



# ANTI-FRATERNIZATION

*Romantic relationships between employees are highly discouraged.*

Our Company is proud of its professional work environment. We will do what it takes to maintain a work environment that is appropriate for all of us.

In order to keep our work atmosphere professional, our Company discourages romantic relationships between employees of our organization. Romantic or sexual relationships between a manager and a direct or indirect reporting subordinate may be perceived as favoritism or sexual harassment and are not allowed. See the [Anti-Fraternization Policy](#) for more information.

*Fraternalizing can be perceived as favoritism and should be done professionally.*

In addition, relationships between managers and direct reports, when there is a business, financial, or other similar legal connection, should be treated with discretion because other employees may perceive them as favoritism. These types of relationships should never compromise our job responsibilities.

Employees with or who develop such relationships must disclose the relationship in accordance with the Anti-Fraternization Policy in order for the Company to take appropriate action if needed. Employees who fail to report such a relationship may face disciplinary action up to and including termination.

## Question and Answer

***Q: My spouse and I work for MMO, but in different departments. Is this okay?***

***A: This is okay if you do not report to your spouse (or vice versa) and you both do not have the same reporting chain. As best practice, always discuss with your manager and disclose this information to the Chief Compliance Officer (using the Conflict of Interest Disclosure form found on PartnerNet).***

***Q: My co-worker and I have a small catering business that we manage after hours and on weekends, I recently was promoted to a management position in the department. Do I have to close the catering business?***

***A: If your co-worker is now a direct report, you need to report this relationship to your manager or the Director, Human Resources and allow them to determine the appropriate steps to take to resolve any conflict of interest.***

# WORKPLACE BULLYING

*The Company promotes a healthy workplace culture where all employees are able to work in an environment free of bullying behavior.*

The Company considers workplace bullying an unacceptable behavior and harmful to our culture of inclusiveness and diversity and therefore encourages all of us to report any instance of bullying behavior, without fear of retaliation. The [Workplace Bullying Policy](#) provides more details. It is important to know that this policy applies to all us, regardless of our employee status, as well as to contractors and outside vendors. We should report any incidents verbally or in writing to our supervisor, the Director, Human Resource Services, the Vice President, Human Resources the Chief Compliance Officer, the Compliance Hotline or through Compliance Connection.

*Early Reporting and intervention is the most effective method of resolving bullying.*

We may report an incident anonymously through Compliance Connection and the Compliance Hotline, but enough information needs to be provided for us to take action. Sometimes approaching the offender and advising them that his or her behavior is unwelcome and to stop the behavior immediately may resolve the problem. However, we recognize how uncomfortable this can be so reporting the behavior is highly recommended. We are not obligated to report an incident to our immediate supervisor first before bringing it to one of the other persons listed above. We are also encouraged to report any concerns of assault, battery, or other bullying behavior of a criminal nature to the local Police Department.

## Question and Answer

*Q: Every time my manager walks by my desk, she knocks into my chair and sometimes causes me to spill my coffee. Other co-workers that see this just laugh at me. When I ask her to stop she says it's just an accident and I should watch what I am doing! Is this bullying?*

*A: This can be a form of bullying if it is a pattern and practice of behavior. You should report this to Human Resources or through Compliance Connection.*

## CONFLICT OF INTEREST

*We must not let business or personal interests of ourselves, friends, or family members conflict with our obligations to our Company.*

A conflict of interest occurs when our personal, social, political or financial activities conflict with our ability to act in the best interest of our Company. The activities of our family and friends can also create conflicts of interest. See the [Conflict of Interest Policy](#) for more information.

To help avoid conflicts, we must not let our outside activities interfere with performing our job responsibilities. Even if a conflict does not exist, the appearance of a conflict to others can be damaging to the reputation of our Company and to us individually.

Examples of situations that could create a conflict of interest include:

- Accepting money or other tangible or intangible benefits in exchange for influencing business decisions.
- Engaging in any outside business activity that could be considered competitive with Medical Mutual (for example, acting as a broker or consultant with another health or life insurance company).
- Engaging in activity that might require improper disclosures of Company confidential or proprietary information.
- Accepting other compensation that could impair our individual independence of judgment in the performance of our job responsibilities.
- Engaging in any conduct that results in improper personal gain or advantage that conflicts with our Company's interests.

As employees of the Company, we are responsible for compliance with our Company's [Conflict of Interest policy](#). We must disclose any situation that could create a conflict of interest to our managers and our Compliance Officer by completing a [Conflict of Interest Disclosure form](#) on PartnerNet and submitting it to the [Corporate Compliance mailbox](#).

*Our outside activities should not conflict with our obligations to our Company.*

## CONFLICT OF INTEREST (CONT'D)

### Question and Answer

*Q: In a conversation with my contact at our vendor, we started talking about different people, and I was told that one of their employees is having a personal relationship with my manager. I don't want to get my manager in trouble, but my manager was part of the team that selected this vendor for us. Do I need to report this or would that be gossiping?*

*A: Yes, you should report this. Not all personal relationships are a violation of the Conflict of Interest policy, but you should report any suspected violation of a Company policy and let the Compliance Officer investigate.*

*Q: My family is saving up for a big vacation and I need extra money over the next couple of months. So I started a web design business. As a web developer for our Company, I feel I have some unique skills that could make me some easy money. Is this okay?*

*A: In certain circumstances, this is okay. But, you should not use Company resources for your personal business. You should talk with your manager to make sure you are not violating the Conflict of Interest policy.*

## RELATED PARTY TRANSACTIONS

*We should only enter into related party transactions in accordance with Company policy.*

As a Company, we must ensure that all transactions, arrangements, and relationships are handled in the best way possible. To protect our Company and ourselves, we must make sure we disclose possible and actual related party transactions on our Conflict of Interest forms.

### **What is a Related Party Transaction?**

A Related Party Transaction is any transaction, arrangement, or relationship (or series of transactions, arrangements, or relationships) where:

- The Company was, is, or will be a participant;
- The amount involved exceeds or will likely exceed \$120,000 in any single fiscal year; **and**
- The “Related Person” has a material direct or indirect interest.

### **Who is a Related Person?**

A related person is defined as one of the following:

- A nominee director of our Company
- Any person identified by our Board as a person discharging managerial responsibilities (employees at director level and above)
- An immediate family member of a person identified above
- An entity employing a person identified above where the person has a direct or indirect interest in the situation

Please note that there are instances where a transaction exceeds \$120,000 in a fiscal year but would not be considered a related party transaction. Some examples are below, however a complete list can be found in the Related Party Transactions policy.

- Remuneration and compensation arrangements to our employees in accordance with our Company policy
- Transactions that are generally available to all Company employees
- Charitable or civic organizations where the related person’s interests arise solely from his or her own or immediate family member’s position in the organization.

All actual or possible related party transactions should be indicated on a [Conflict of Interest form](#) and submitted to [CorporateCompliance@medmutual.com](mailto:CorporateCompliance@medmutual.com). This will allow for proper review and steps to mitigate risks. Please read the policy on Partnet for more information.

*All related party transactions should be indicated by completing the Conflict of Interest form.*

## RELATED PARTY TRANSACTIONS (CONT'D)

### Question and Answer

*Q: My sister is a Vice President for one of our business partners. Is this considered a Related Party Transaction?*

*A: Answer: If you are a Director or above and have decision making authority in contracting with the business partner, and the business partner provides services or supplies to Medical Mutual with a value \$120,000 or greater in a year, it would be considered a Related Party Transaction. This would need to be indicated when you disclose it on the Conflict of Interest form.*

# GIFTS, ENTERTAINMENT, AND THIRD PARTY TRAVEL

*Employees must not give nor receive gifts, entertainment or third party travel that could be perceived as an attempt to improperly influence decisions of business partners or ourselves.*

## Gifts and Gratuities

Our Company will maintain the highest standard of integrity and objectivity when dealing with business partners. No bribes, kickbacks or other similar promises should be made by or on behalf of our Company.

We must never give or receive cash. Giving and receiving gifts should be on a periodic basis.

We are prohibited from giving to or receiving from any business partner gifts, gratuities or favors that are greater than \$100 per occurrence and \$200 per year. Gifts, gratuities or favors that exceed these amounts may be accepted only with the written approval of your Executive Vice President, CFO or CEO. All written approvals must be documented and submitted to our Chief Compliance Officer for reporting purposes.

We are not allowed to give nor receive any gifts of value, favors or entertainment from vendors during contract negotiations. Giving and accepting gifts could influence vendor selection. But, a reasonable token (mug, pen, etc) may be accepted.

We are prohibited from providing certain gifts and entertainment to public officials or employees who represent state and local government entities that regulate Medical Mutual or with whom we do or seek to do business. Similar laws and rules exist for federal government employees and elected officials such as senators, congressmen, and judges. See the new Gifts to Public Officials Policy for details.

## Gift Cards

Gift cards may be given for a valid business purpose and must be in accordance with the gift limits mentioned above. The practice of purchasing gift cards for individual employee awards is prohibited. In the event we need to purchase gift cards to distribute for a particular business reason, a request must be made using the Gift Card Request Form that can be found on PartnerNet. All gift card requests require a minimum of three signatures, the requester, next-level manager and the business area Executive Vice President, and should be submitted to the Corporate Treasury. For more information on purchasing gift cards, please review the [Gift Card policy](#).

*Giving and receiving gifts, entertainment and third party travel must be done in accordance with Company rules.*

## GIFTS, ENTERTAINMENT, AND THIRD PARTY TRAVEL (CONT'D)

In the event we receive a gift card that exceeds \$100 from a customer or vendor, we must obtain appropriate approval and report it to the Chief Compliance Officer by completing the [Gift and Third Party Travel Disclosure Form](#) on Partnetnet, stating who sent the gift card, the amount, and the reason it was sent.

### ***Entertainment of Business Partners***

The rules on gifts do not apply to business entertainment. When entertaining a business partner, we must make sure there is a legitimate business purpose for the entertainment. An MMO employee must be present.

Entertainment cannot be lavish and must be in good taste. For example, a meal or social outing for business reasons will usually appear acceptable. But, tickets to the Super Bowl or for golf at exclusive resorts may appear to be excessive and could influence objective judgment. Frequent entertainment with the same business partner may also raise questions and concerns.

### ***Third Party Travel***

Any travel expenses or incentive trips paid by an outside party, including current or potential vendors, brokers, customers or providers, must be documented and approved in advance by our CEO. The travel must also be submitted to our Compliance Officer for reporting to our Board of Directors. Travel paid by a third party can be submitted to the Chief Compliance Officer by completing the [Gift and Third Party Travel Disclosure Form](#) on Partnetnet.

Payment of travel expenses to speak at conferences or seminars may be accepted if the expenses for other speakers are handled the same way. Compensation for time or participation is not allowed. Reimbursement of travel expenses as part of an approved contract with our Company is acceptable.

### **Question and Answer**

***Q: If one of our customers offers me tickets to a concert or any other event, can I accept?***

***A: If their value is more than \$100, you must get approval from an EVP, the CFO or the CEO of the Company. The gift must also be reported to the Chief Compliance Officer by completing the Gift and Third Party Travel Disclosure Form on Partnetnet.***

***Q: I was offered use of a resort condo by one of our vendors. The condo is out-of-state and I have to pay my own transportation expenses. Can I accept this offer?***

***A: Since the value of this offer is greater than \$100, you must get approval from an EVP, the CFO or the CEO of the Company. The offer must also be reported to the Compliance Officer. If you are currently involved in contract negotiations or renewal, you should decline the offer.***



## GIFTS, ENTERTAINMENT, AND THIRD PARTY TRAVEL (CONT'D)

*Q: I was asked to speak at a conference and the vendor offered to pay all expenses. May I accept?*

*A: Yes. As long as you are not being paid to participate, you may accept reimbursement for reasonable travel costs as long as other speakers are receiving the same consideration. And you must get approval from our CEO and report the trip to our Chief Compliance Officer prior to attending.*

*Q: I have been invited to the wedding of the daughter of one of our customers. I would like to provide a nice gift. Can I expense this gift?*

*A: No. A wedding gift is considered a personal gift and therefore can't be expensed.*

# SOCIAL MEDIA GUIDELINES

*As employees, we must not take any actions through Social Media that harm our Company, customers, business partners, or each other.*

Social Media are internet-based tools used to share and discuss information. As Social Media becomes more popular, the lines between an employee's personal and professional life can easily become blurred. While use of Social Media is allowed, any conduct that could have a negative impact on our Company or its image is a business concern. Therefore, we must be mindful of our behavior when using Social Media at work and outside of work.

Guidelines for using Social Media are provided below:

- Our Social Media activity must not interfere with work commitments, and we must be mindful that work time should be devoted to the business of the Company.
- We may not post any material that is illegal, obscene, defamatory, profane, threatening, discriminatory, harassing, or abusive to another person, entity, or our Company.
- When using Social Media we should identify ourselves and use personal e-mail addresses, not the Company's.
- We must never post our member's personal health information (PHI) or any of our Company's proprietary and confidential information.
- We should use common sense when posting or sharing information that can be viewed by anyone, including the Company's customers, vendors and business partners.
- If we access Social Media on Company computers, we may not assume that our usage is private.

For more information on our Company's Social Media policy, please read the [Social Media policy](#) on Partnetnet.

## Question and Answer

*Q: I was on my Facebook account and someone I knew posted a picture of one of our co-workers at a company sponsored event. Is this okay?*

*A: Yes, as long as the posted material was not offensive, there is no issue with sharing photos of individuals at company events.*

*We must use Social Media responsibly so it does not affect our Company's reputation.*

## NEWS MEDIA GUIDELINES

*Designated spokespeople are the only employees authorized to speak on behalf of our Company.*

We should never speak to the news media on behalf of our Company without notifying and obtaining approval from our Media Relations Department. Designated spokespeople are the only employees authorized to speak on behalf of our Company.

If we are contacted by the media to discuss matters related to our Company, we must ask the person making the inquiry to call our Company's Media Relations Department.

Remember, Medical Mutual does not discuss the health circumstances nor claims history of members or customer contracts without obtaining permission from them to do so.

### Question and Answer

*Q: My neighbor works for the community newspaper and asked me how my company reacted to recent changes in insurance laws. Can I let him quote me in a news article?*

*A: No, this is not allowed. Only our Media Relations department staff is authorized to respond on behalf of our Company. If you are asked your opinion on some issue, you must make it clear that you are not answering on behalf of our Company.*

*We must make sure we do not speak on behalf of our Company unless we are authorized to do so.*

## POLITICAL ACTIVITIES

*Employees are encouraged to vote in local, state, and national elections. However, if you decide to hold a political office, you must be mindful of its effect on our Company.*

### Voting

Because our regular working hours allow enough off-duty time when the polls are open, we generally should not need time off work to vote, and we are expected to make efforts to arrange to vote without taking unnecessary time off. When necessary, a reasonable amount of time off to vote will be provided. In such a case, we should always consult with our managers regarding changes that may be made to our schedules. We will not be penalized or retaliated against for requesting and/or taking time off to vote.

### Political Activities

We generally can participate in personal political activities, support candidates and political affiliations of our choice, run for elective office or serve on committees and commissions subject to applicable laws or other limitations. However, if you hold an elected or appointed position with a public body, you must disclose that information to the Company within a reasonable time after election or appointment. As with all personal activities, if you engage in political activities, you will be required to meet all of your regular employment responsibilities. And to avoid violating state or federal campaign finance laws, Company facilities, resources or work time are not to be used to participate in personal political activities.

We must also refrain from offering or appearing to offer any endorsement by or on behalf of our Company. When using social media while engaging in political activities, we must state that the views expressed by us are our own views and not those of the Company.

### Question and Answer

**Q:** *I am running for an office in my hometown and holding a fund raiser after work. Is it okay to invite my co-workers to this fund raiser?*

**A:** *As long as your activities are not during work hours, do not use Company resources, and there are no implied endorsement expectations, this would not be a violation. Each individual has a right to decide whether or not to attend the event.*

*Our political activities should not affect our Company in any way.*

## COMPANY FUNDS AND PROPERTY

*Company assets are to be used for the benefit of our Company and we must safeguard them. Company assets include Company funds, property, and confidential or proprietary information. Losing, misusing or stealing Company assets can harm our reputation, decrease earnings, and increase the cost of our products and services.*

### Company Funds

We are personally accountable for Company funds that we control and are responsible for maintaining the appropriate documentation of those funds. When we spend Company money, or personal money that will be reimbursed, we should always make sure our Company receives appropriate value in return.

### Company Property

Company property must only be used for legitimate business purposes. It should not be sold, loaned, given away or disposed of without proper authorization.

Excessive or inappropriate personal use of our Company's telephones, e-mail or Internet is prohibited.

Never make or load unauthorized copies of computer software programs or use personal software on Company computers. Reproducing software without authorization violates U.S. copyright laws.

### Proprietary and Confidential Information

Confidential and proprietary information are vital business assets and should not be disclosed to anyone (internally or externally), unless there is a legitimate business need to share this information. We must be careful when handling our Company's documents to avoid legal issues and damage to our reputation.

We must never disclose confidential or proprietary information, either during or after termination of employment. Employee and member information is confidential. Conversations, written communications and electronic communications (internal and external) concerning employee and member information must be in compliance with all federal and state laws.

Much of the information developed within our Company is proprietary—it is owned by our Company. It is a valuable business asset representing our hard work and must be protected. Proprietary information includes technical, financial, marketing, medical, and other business information. Unauthorized disclosure decreases its value to our Company and gives unfair advantage to others.

*Protection  
of our  
Company's  
assets is  
vital.*

## COMPANY FUNDS AND PROPERTY (CONT'D)

Our Company uses passwords, security codes, etc., to safeguard the confidentiality of information stored on our computer systems. Maintaining the confidentiality of our passwords and security codes is essential in protecting our members' health information.

### Question and Answer

*Q: I do consulting as a part time job. When I am not too busy, I type my consulting reports at work because I do not have a computer at home. Is that allowed?*

*A: No, this is not allowed. You are expected to devote your attention to MMO business during work hours. Company property must only be used for legitimate business purposes.*

*Q: My child's friend is rumored to have a contagious disease, which I fear my child will get. I have access to the claims system for my job. Can I look up the child's medical information to see if she has been treated for a contagious disease?*

*A: No. You have no legitimate business purpose for accessing the confidential member information/records. It would be an inappropriate use of member information and a violation of federal and state laws and regulations, as well as Company policies. The use of Company property, that is unlawful under any federal, state or local law, is strictly prohibited.*

## VENDOR EXPECTATIONS

*We expect all vendors, contractors, and business partners to do business in a law abiding manner and with the highest degree of ethical behavior.*

### Specifically, we must expect our vendors to:

- Take reasonable steps to safeguard our Company's proprietary and confidential information.
- Maintain confidentiality and not share passwords to our systems.
- Follow all Equal Employment Opportunity laws.
- Not accept or offer bribes, kickbacks or other improper payments on behalf of our Company.
- Strive for ethical and lawful competition when selling products and services.
- Not engage in antitrust practices.
- Follow all contract and regulatory requirements.
- Ensure that all reporting, business records and communications to and on behalf of our Company are accurate and timely.
- Never provide false or misleading information to any governmental official or agency.
- Never alter relevant documents or destroy records, except in accordance with the Company's record retention policy.

Our Company's Compliance Helpline is available to vendors, contractors and business partners to obtain additional information or to report suspected violations regarding the business relationship. All calls to the Helpline are confidential and can be made without fear of retaliation.

### Question and Answer

*Q: My friend owns a computer supply company that MMO also uses as a vendor. He offered me a great deal on some supplies that would be purchased through my cost center, but said he could bill my cost center for the amount we always pay and the two of us could split the difference. Is this okay?*

*A: No, this is not allowed. This would be considered a kickback.*

*Our vendors must be held accountable for displaying the highest degree of ethical behavior.*

# GOVERNMENT REGULATIONS

*We must be aware of the laws and regulations that govern our business and make sure we do everything to follow them.*

## ANTITRUST LAWS

Because consumers benefit when businesses compete by offering better products and lower prices, federal law prohibits any agreement among competitors that could reduce competition. This includes:

### **Bid Rigging**

Bid rigging is a way that competitors conspire to raise prices or gain more business when customers buy goods through bids. Bid rigging can happen in several ways, including:

- Bid suppression— an agreement between competitors to either refrain from bidding or withdrawing a submitted bid so that another competitor’s bid will be accepted.
- Complementary bidding—occurs when one or more competitors agree to submit bids that are either too high to be accepted or contain special conditions that will not be acceptable to the customer. This includes situations where one competitor did not intend to bid but agreed to do so to “help” another competitor get the business.
- Bid rotation—all conspirators submit bids, but take turns being the low or winning bidder.
- Subcontracting— competitors agree not to bid or to submit a losing bid in exchange for subcontracts from the successful bidder.

### **Customer or Territory Assignment**

This is an agreement where competitors divide customers among themselves to gain business. This has been referred to as the “property rights” system (i.e., the customer is the “property” of a given company).

We should never enter into any agreement (written or oral), understanding, or discussion about things like: how our Company formulates our rates, who our Company will contract with, what products and services our Company will sell, or the terms of any Company contract.

### **Below are some things we can do to follow antitrust laws:**

- Always be honest about our products and services when submitting bids to customers.
- Never make statements that a particular customer or contract “belongs” to a certain vendor.
- Never speak with competitors about prices, promotions, future business plans, company boycotts, refusals to deal, or specific customers.

*Our Company must comply with all laws and regulations of our industry.*



## **GOVERNMENT REGULATIONS (CONT'D)**

- Never use a competitor's confidential or proprietary information.
- Never use a competitor's current bid if you are involved in bidding, especially on government contracts.
- Never use information on a competitor that someone offers to sell.

The honesty and integrity of our Company should never be jeopardized. Following antitrust laws and best practices mentioned above are ways to make sure we never put ourselves or our Company at risk.

### **FALSE CLAIMS ACT**

We must never provide false or misleading information to any government official or agency or attempt to persuade another to do so. Our Company is subject to the False Claims Act, which imposes financial penalties on individuals or organizations that submit false claims for payment to the federal government.

Under the False Claims Act, individuals who report fraud, waste or abuse to the government, are protected from retaliation by their employer and may receive a percentage of the funds recovered by the government.

### **GOVERNMENT CONTRACT COMPLIANCE**

Those of us working in departments that administer government contracts must be aware of and comply with all statutory, regulatory and program requirements related to that contract. We must never destroy or alter Company documentation or records in the event a request is made for documentation by the government. All business records and communications should be clear and accurate.

If you know of any violations dealing with government contracts, you must report them to our Chief Compliance Officer.

### **Question and Answer**

*Q: A friend who works for a competitor is negotiating rates with a provider. The provider claims that MMO pays more than her health plan does. My friend called to verify how much MMO pays that provider. Is it okay for me to tell her how much MMO pays?*

*A: No. Provider pricing is confidential and proprietary information of the Company and needs to be protected. Also, this might create the impression that MMO and the competitor were "fixing" reimbursement rates. Employees are prohibited from engaging in antitrust practices, including, but not limited to, bid rigging and price-fixing.*

## GOVERNMENT REGULATIONS (CONT'D)

*Q: While at a local restaurant, I overheard a broker describing a competitor's new operating plan. Can I share this with my coworkers?*

*A: Yes. Information overheard in a public setting may be shared.*

*Q: What is considered an "agreement" under the antitrust laws?*

*A: An agreement is an understanding between two or more competitors on a particular subject or issue. Agreements can be written or oral. **Because of this, it is important not to discuss competitive matters with competitors.***

## ACCOUNTING POLICY AND FINANCIAL REPORTING

*All accounting principles, as well as requirements established by our CFO, shall be followed by all areas of our Company unless prior written approval from the CEO or CFO for deviation is obtained.*

Our Company follows the Generally Accepted Accounting Principles (GAAP) and Statutory Accounting Principles (SAP) for our business transactions.

Our CFO is the Accounting Officer of our Company. He is responsible for:

- Accounting policy;
- Internal control standards;
- Financial reporting to Company management and outsiders.

All Company funds should be kept in bank accounts in the name of our Company or the appropriate subsidiary. All payments shall be made by Company check, wire transfer or by other methods approved by our CFO. We can only access Company funds with management's approval.

We must not make false oral or written statements to any accountant or auditor regarding:

- Any audit or examination of our Company's financial records;
- The preparation of any report or filing; or
- Any review of our Company's internal control structure.

*All  
accounting  
principles  
must be  
followed  
unless we  
obtain  
written  
approval for  
change.*

## FRAUD AND ABUSE

*The Financial Investigations Department and Internal Audit Department detect and investigate fraud and abuse that is directed at our Company.*

Fraud and abuse are any activities done in an attempt to receive some unauthorized benefit. Fraud and abuse can occur against our Company or when our Company handles government contracts.

Here are some steps we can take to help fight fraud and abuse:

- Complete all reports accurately. Reports can include expense reports, time sheets and purchase orders.
- Immediately report any suspicious activity to management, Human Resources, the Chief Compliance Officer, the *Compliance Helpline* or *Compliance Connection*.
- Never make false or misleading statements to any accountant or auditor.
- Never alter information provided by customers or vendors or accept information knowing it has been altered.
- Be aware of our own health care benefits and identify any suspicious charges on our Explanation of Benefits. We should report any attempts to submit misleading information by service providers regarding our own claims. If you have questions or concerns regarding suspicious claims, please contact our Financial Investigations unit.

Our Company is proud of our accomplishments in fighting fraud and abuse.

### Question and Answer

*Q: My doctor suggested I get a procedure done, but told me that she doesn't deal with the bureaucracy of insurance companies because they rarely approve her claims, so she is going to file the claim with a different procedure code, one that always gets paid. I really like my doctor, but isn't this fraud?*

*A: Yes, this is something you need to report to the Financial Investigation's unit. Your provider has admitted that she is submitting false claims to insurance companies to obtain reimbursement for services that were not performed.*

*We must be active and diligent when fighting fraud and abuse that is directed at our Company.*

# RECORD MANAGEMENT

*Company records must be handled with care.*

Because Company records are valuable to our business, we must handle them with care. When we create, generate, receive, or store Company records, we are responsible for:

- Handling all of our Company records in accordance with our Company's corporate policies.
- Maintaining the confidentiality of our Company's proprietary and sensitive information.
- Maintaining and destroying records in accordance with our Company's [Records Retention Management](#) policy.
- Keeping up with any changes to our Company's Records Retention Management policy and best practices.

*All of our Company records are valuable and must be handled appropriately.*

---

**Name**

---

**Date**