



Standards of Conduct and Code of Ethics

The Standards of Conduct, along with the Code of Ethics, have been established in order to set forth the expected standards and rules for ethical business practices and compliance expectations for all Associates.

INTRODUCTION

Beacon Health Solutions, LLC. (collectively referred to herein as the “Organization”) along with its associates, defined as including employees, volunteers, consultants, contracted vendors, senior management, executives, First Tier, Downstream, and Related Entities (FDRs) and its governing body, is committed to conducting business with the highest level of integrity and ethical standards.

The Standards of Conduct includes a Code of Ethics; both have been established in order to set forth the expected standards and rules for ethical business practices and the Organization’s compliance expectations for all associates.

The Standards of Conduct are an important element of the Organization’s Compliance Program. Associates are expected to conduct themselves in an ethical manner, adhering to the laws, rules, regulations and policies of applicable governmental authorities, the Organization’s policies and procedures, and these Standards of Conduct. All associates should strive to maintain a professional environment that considers ethics and compliance an integral part of all business decisions. Compliance is everyone’s responsibility, from the top to the bottom of the organization.

It is every associate’s responsibility to understand and comply with the Standards of Conduct and Code of Ethics. These Standards of Conduct, along with the Code of Ethics are designed to guide associates in their daily business and workplace operations. It is not possible to list every situation you may encounter on a daily basis, so associates should seek guidance from the compliance personnel or executive management if they have a concern about a particular practice or activity that potentially violates the applicable federal or state laws, the Compliance Program, or the Standards of Conduct.

Associates that become aware of a violation of the Standards of Conduct and Code of Ethics, the law or our policies, have an obligation to report it right away. Any act in violation of law, ethics, or contrary to the policy and purpose of the Standards of Conduct may be cause for disciplinary action, including verbal or written reprimands, suspension, termination, and/or reporting of the conduct to law enforcement. The Compliance Department will distribute the Standards of Conduct to all associates within 90 days of hire or contracting, when there are material changes and annually thereafter.

Any changes to laws, rules, regulations, and policies shall be incorporated into these Standards of Conduct and the Organization’s policies. Training will be conducted accordingly, as required.

STANDARDS OF CONDUCT

WORKPLACE CONDUCT AND EMPLOYMENT PRACTICES

Beacon Health Solutions’ policies are designed to promote fairness and respect for all individuals and to foster a workplace where diversity and inclusion are valued. The Organization does not tolerate discrimination, harassment or retaliation. Behaviors that put our associates or business partners at risk are not allowed.

Equal Employment Opportunities

Beacon Health Solutions’ commitment to equal opportunity principles applies to all aspects of employment, including recruitment, retention, promotion, compensation, benefits, and training. All hiring and promotion decisions are based on the qualifications of the individual applicants or employees. The Organization prohibits discrimination and/or harassment based on age, color, disability, ethnicity, marital or family status, national origin, race, religion, sex, sexual orientation, health status, genetic information, veteran status or any other characteristic protected by applicable law.

Fair Labor Standards Act

The Federal Fair Labor Standards Act (FLSA) requires that accurate time and leave records for all non-exempt employees of the Health Plan Administrator are maintained. Beacon Health Solutions compensates non-exempt employees for hours actually worked in one week over forty (40) hours. Employees must specifically obtain prior approval for overtime, compensatory, and equivalent time before it is worked.

Harassment-Free workplace

The Organization strives to have workplace that is free from harassment. Beacon Health Solutions does not tolerate inappropriate behavior or harassment involving employees or business partners. Harassment is defined as being any verbal or physical conduct that degrades or shows hostility or aversion toward an individual. Actions that are sufficiently severe and pervasive to alter the conditions of employment and create an abusive, hostile or threatening working environment are considered to be “harassment”. Sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, and other verbal, visual, or physical conduct of a sexual nature. Even harassing conduct that does not rise to the level of unlawful harassment or is not prohibited by law in the particular jurisdiction of the employee may violate the Organization’s policy and be grounds for disciplinary actions, up to and including termination. Associates who observe or experience any form of harassment or discrimination should report the incident to Human Resources.

Drug-Free, Alcohol-Free Workplace

Beacon Health Solutions is committed to being a drug-free, alcohol-free environment. Accordingly, the use of alcohol, illegal or controlled drug that interfere with the ability to perform one’s work duties while on Organization premises is strictly prohibited. Any Associate reporting to work under the influence of alcohol or an illegal or controlled substance shall be prohibited from the workplace and any property under the control of the Organization and shall be subject to disciplinary action, up to and including termination.

The use of alcoholic beverages is prohibited in the workplace or on any Beacon Health Solution property, during business hours or while conducting Organization business. However, executive management of the Organization may waive this prohibition with respect to any event sponsored by the Organization.

Associates of Beacon Health Solutions are required to notify Human Resources within three (3) calendar days of an arrest for an offense involving a controlled substance.

Security and Workplace Violence

Beacon Health Solutions strives to provide a safe work environment. Violence in the workplace is not tolerated. To preserve workplace safety and security, no Associate shall possess weapons (regardless of whether they have a permit) of any sort, including, but not limited to, firearms, ammunition, explosives, incendiary devices, knives, defensive incapacitating sprays and devices, and cases/holsters/sheaths for weapons on the Organization’s property (subject to applicable law), in any Organization vehicle, in the workplace, or while acting in a business capacity. The Organization prohibits inappropriate conduct, which includes intimidation, harassment, coercion, physical abuse, battery, vandalism, and/or any other act which is deemed to be threatening in nature that involves or affects the Organization or its Associates.

Workplace Health and Safety

Beacon Health Solutions is committed to providing a safe and healthful working environment to all associates. Associates should perform their duties in compliance with all applicable institutional policies, federal, state, and local laws and standards relating to the environment and protection of worker health and safety. Associates should become familiar with and understand how these laws, standards, and policies apply to their specific job responsibilities. Each associate of the Organization is responsible for reporting any serious workplace injury or any situation presenting a danger of injury so that timely corrective action may be taken.

Proper Use of Resources

Every Associate is responsible for the appropriate use of telephones, computers, copy machines and Organization issued cellular phones and laptops. Personal use of such equipment is limited and subject to restrictions. There is no expectation of a right to privacy when using Organization owned computer and information systems. Subject to all applicable local law, the Organization may review all electronic information and communications and systems or networks may be subject to monitoring.

All computer passwords should be considered highly confidential. Associates should never disclose computer passwords to anyone other than those individuals within the Organization that have official capacity to access Associate passwords. Furthermore, Associates should not write or otherwise document passwords in a place that is accessible by others. No one may access, or attempt to obtain access to, another individual's or the Organization's electronic communications without appropriate authorization.

Associates who use software licensed to the Organization or an entity owned by the Organization must abide by applicable software license agreements and may not copy licensed software only as permitted by the license. Unauthorized duplication of copyrighted software is a violation of federal copyright law. Associates should direct any questions about applicable software license agreements to their department manager.

BUSINESS CONDUCT

Conflicts of Interest

When making a business decision, Associates must always consider what's in Beacon Health Solutions' best interest and not based on personal relationships or benefits. A conflict of interest may exist if an Associate's interest, activities, or relationships make it hard to perform their duties for Beacon Health Solutions objectively and effectively. Even the appearance of a conflict of interest may damage the Organization's reputation, as such; Associates must ensure that their personal interests do not create such a situation.

Associates are prohibited from having a direct or indirect interest, financial or otherwise, in a corporation or business, engage in a professional activity, or incur an obligation of any nature that is in substantial conflict with or might reasonably tend to influence the discharge of their official duties for the Organization. Beacon Health Solutions' policy regarding conflicts of interest is straightforward, don't compete with the Organization and never let your dealings on behalf of the Organization be influenced – or even appear to be influenced – by personal interests.

Compliance with this standard requires full disclosure on the part of all Associates. Disclosures of a conflict of interest or potential conflict must be disclosed to the Human Resources personnel so that a determination can be made as to whether a conflict exists.

Outside Employment and Activities

The first responsibility of Beacon Health Solutions' associates is to the Organization. Outside professional commitments should not interfere with an associate's responsibility to the Organization. A conflict of interest may arise if an Associate's potential outside employment activities impair their business loyalty and performance or bring discredit to the Organization.

If an Associate is considering any form of outside employment or currently holds outside employment, the associate should contact their department manager or the Human Resources Director to determine the regulations that apply to the particular situation.

Full-time employees and contractors of Beacon Health Solutions must receive permission from Executive Management before accepting employment or independent contractor status of any type from any vendor who provides services to the Organization. Beacon Health Solutions' Executive Management will determine whether this possible employment might create a conflict of interest.

Political Contributions and Activities

Associates may participate in the political affairs of their communities and country on an individual basis, on their own time and at their own expense. Associates may not make direct or indirect contributions of any kind on behalf of the Organization, and will not be reimbursed for any such expense. Further, Associates of the Organization may participate in political activities provided such activities are not conducted during work hours, are not in contravention with the Constitution and laws of the United States and the State, does not interfere with the discharge and performance of the Associate's duties and responsibilities, and does not involve the use of equipment, supplies, or services of the Organization. In addition, Associates of Beacon Health Solutions are not allowed to support or oppose (in writing or orally) any legislation purporting to be an Organization representative.

Advertising/Marketing

Beacon Health Solutions' associates must accurately represent products, services, benefits, and prices when engaging in marketing and sales efforts and should always do so with integrity. Before any distribution, all marketing materials should be reviewed and approved to assure that statements are factual, current, not misleading and meet regulatory requirements.

Authority to Act on Behalf of Beacon Health Solutions

All associates should be aware of the limitations on their authority to act on behalf of the Organization and should not take any action that exceeds those limits. No one is permitted to sign any document on behalf of Beacon Health Solutions, unless specifically authorized to do so. Only individuals expressly authorized by the executive management of the Organization may enter into contracts or agreements either oral or written on behalf of Beacon Health Solutions. No associate may expend funds for any purchase unless the person is authorized to make such purchase in accordance with the Organization's approved policies and procedures for doing so.

Contacts with the Government and Outside Investigators

Beacon Health Solutions will cooperate in government investigations and with all reasonable demands made by any governmental entity for information as to how the Organization conducts business. However, it is essential that the legal rights of the Organization and its associates be protected. If an associated of the Organization receives a subpoena, inquiry, or other legal document from any governmental agency regarding the Organization's business, whether at home or in the workplace, the Associate must immediately notify Beacon Health Solutions' executive management.

To best protect the Associate and the Organization, if any governmental agency or representative of a governmental agency contacts any associate outside of the workplace concerning Beacon Health Solutions' business, the Associate may politely ask the agent to contact the Organization's executive management. While Beacon Health Solutions does not prohibit an associate from speaking to any government investigator or agent, no Organization documents or data in response to a government request for information may be provided without first obtaining prior authorization.

Contacts with Media

Only the CEO of Beacon Health Solutions may act as the spokesperson for Beacon Health Solutions. If at any time a member of the media is requesting information regarding Organization business, associates must get prior approval.

INTEGRITY OF ORGANIZATION INFORMATION

Accuracy of Records

Beacon Health Solutions' record keeping must be maintained in accordance with applicable laws and policies and must accurately and fairly reflect the business transactions of the Organization. This encompasses all records, whether of medical, operational, or financial nature.

No intentionally false or misleading entries shall be made in any way in any of the Organization's books, records, or account for any reason. No Associate may inaccurately identify labor costs in the Organization's records or submit or instruct another Associate to submit time charges which do not accurately reflect time worked. Making any false statement in a medical record that is used to support billing of medical services is strictly prohibited and considered criminal fraud. Any Organization Associate who violates this standard will be subject to the full range of disciplinary sanctions, up to and including termination for cause where appropriate.

Record Retention and Disposal

Beacon Health Solutions is required to maintain an active and continuing records management program that identifies vital and confidential records and ensure the appropriate retention and disposition of records. Associates must comply with all Organization records retention policies and with any document or record preservation notices at all times. No Associate should tamper with records, or remove or destroy them except in accordance with the approved retention and disposition policy. Records that are possibly relevant to litigation or a government investigation may not be destroyed until the matter has concluded and the legal department has approved, in writing, of the destruction. Destroying or altering documents with the intent to obstruct a pending or anticipated official government proceeding will result in disciplinary action, up to and including termination and is also a criminal act and could result in large fines and incarceration.

A record is any information, regardless of physical format, that has been created or received in the transaction of the Organization's business. Physical format of a record includes hard copy, electronic, magnetic disk, audio, video, optical image, etc.

Internal/Confidential Information and Intellectual Property

Associates are responsible for maintaining confidential and proprietary information about Beacon Health Solutions, our customers and employees, and all those who do business with us safe from inappropriate access, use or disclosure. Disclosure of confidential information to persons outside the Organization is prohibited, unless there is a legitimate need for the information and they have been properly authorized by management to receive it.

- ***Confidential Information:*** Information that is categorized as internal or confidential must be used for Organization business only, and must not be discussed or disclosed to anyone outside of the Organization, including family members, without proper authorization. Non-public information about the Organization cannot be used for personal gain. Measures must be taken to protect all internal or confidential information and any other information that is not intended to be available to the public by keeping it secure, limiting access to those who have a need to know and avoiding discussion of internal or confidential information in public areas. Confidential information includes written documents made in the course of business, emails and technical data, along with the ideas, plans and processes that the Organization uses in its business every day. Information that comes to the Organization from a customer, supplier or competitor as part of its business should be treated as confidential information, unless it is

objectively clear that such information is not confidential to the customer, supplier or competitor.

- *Intellectual Property:* Beacon Health Solutions' trade secrets, sometimes called "intellectual property," often result from a significant investment of the Organization's resources. Intellectual property is an important asset that helps with our competitive advantage and must be protected. Intellectual property includes any invention, discovery, trade secret, technology, creation, scientific or technological development, computer software, or other form of expression of an idea that arises from the activities of Associates of the Organization, or anyone using the Organization's offices or facilities under the supervision of the Administrative personnel. Examples of intellectual property include the Organization's name, logo, trademarks, copyrights, patents, software, ideas, inventions, discoveries, research plans and strategies.

Beacon Health Solutions owns intellectual property created by Associates if the intellectual property is created by an Associate within the scope of employment, created by the Associate during work hours and/or with the use of facilities or supplies, commissioned by the Organization pursuant to a signed contract, fits within one of the nine categories of works considered works for hire under copyright law or results from research supported by federal funds or third party sponsorship. An Associate must obtain prior approval before he or she submits any information about the intellectual property for publication, or makes any public or private disclosure to a commercial entity.

All Associates must take measure to protect the Organization's intellectual property and to avoid infringing on the intellectual property rights of others. Refer any misuse or infringement of the Organization's intellectual property to the Corporate Counsel.

Copyrighted Material

Most works should be presumed to be copyright protected, unless further information from the copyright holder or express notice reveals that the copyright holder intends the work to be in the public domain.

Protected Health Information

Beacon Health Solutions is committed to conducting business in compliance with national standards for privacy, security, and electronic transactions of Protected Health Information as set forth in the Health Insurance Portability and Accountability Act ("HIPAA"). It is the policy of the Organization to use or disclose PHI, only as permitted or required by law. The Organization has implemented effective HIPAA training and education for all of its associates. Associates are authorized to access PHI to the extent performance of their job functions reasonably requires such access and where access is necessary in furtherance of legitimate, HIPAA-approved purposes of payment, treatment and health care operations. Associates may not access PHI except in accordance with the Organization's business associate agreement, or as required by law.

Compliance and Implementation of Standards of Conduct

Beacon Health Solution's Standards of Conduct is designed to promote adherence to appropriate standards or business conduct throughout all aspects of the Organization's operation and to ensure conformance with applicable federal and state regulatory obligations by the Organization and its associates (including FDRs). The Organization establishes, implements, and provides effective training and education specific to Compliance, FWA, and HIPAA to all associates (including FDRs). It is every associate's responsibility (including FDRs) to prevent, detect, and correct fraud, waste, and abuse and report instances of noncompliance.

Compliance is everyone's responsibility. All employees of Beacon Health Solutions' are responsible for the Organization's compliance program. The Compliance personnel oversees the operations of the compliance program. Associates (including FDRs) are encouraged to seek guidance from the Compliance personnel and executive management concerning any obligations and to report any instances of noncompliance.

Internal Reporting

Beacon Health Solutions believes that every employee plays a crucial role in reporting ethical concerns and possible compliance violations. As such, the company requires that all employees report in good-faith suspected:

- **Standards of Conduct, and Policies and Procedures violations,**
- **Federal and State laws and regulations non-compliance,**
- **Fraud, Waste, and Abuse (FWA) violations, and**
- **Health Insurance Portability and Accountability Act of 1996 (HIPAA) violations.**

The company reiterates that it will not tolerate retaliation or intimidation against any employee who makes a good-faith report of potential or suspected violations. Reported violations are treated with the highest levels of confidentiality and employees have the right to report such violations anonymously.

The company maintains the following compliance reporting mechanisms:

- **Compliance Fax: (813) 513-7324**
- **Compliance Mailing Address: BHS Compliance Department
ATTN: Michael Friel
5415 Mariner Street Suite 100
Tampa, FL 33609**
- **Secured email: compliancereporting@beaconh.com**
- **Human Resources:**
 - **Rosa Kozlowski, Human Resources Director**
 - **Phone Number: (813) 252 - 2650**
 - **E-mail: rkozlowski@beaconh.com**
- **Executive Management:**
 - **James Reese, Sr. Vice President of Operations**
 - **Phone number: (813) 252 - 2563**
 - **E-mail: jreese@beaconh.com**
- **Beacon Compliance Contact:**
 - **Michael Friel, Compliance Officer**

- **Phone number: (813)413-6548**
- **E-mail: mfriel@beaconh.com**

The Organization has established and implemented procedures for promptly responding to compliance questions, reports of suspected or detected noncompliance or potential FWA. The Organization conducts prompt investigations of potential violations to determine if any disciplinary action for a confirmed violation is necessary and proactively implement business processes and training that prevent reoccurrence.

External Reporting

Associates (including FDRs) with knowledge of, and who in good faith, suspect any incident of noncompliance, violations of federal, state or local laws or regulations and/or fraud, waste or abuse related to a client must promptly report it, using one of the mechanisms described above. When the Organization identifies a potential deficiency, the Compliance personnel or executive management provides preliminary notification to the client according to the established timeframe(s) set forth by the business associate agreement. This preliminary notification is informational only and will not always provide detailed information with respect to root cause or enrollee impact.

Non-Retaliation and Non-Intimidation

In accordance with Federal law, the Organization has adopted and enforces a no-tolerance policy for retaliation or retribution against any associate who in good faith reports a potential violation or suspected FWA. In addition, all associates are protected from retaliation for False Claims Act complaints. If someone has been retaliated against for reporting a potential violation or cooperating in an investigation, immediately contact the above listed reporting mechanisms.

Compliance Investigations

The compliance investigation is timely and reasonable where evidence suggests non-compliant activity. The initiating source of the inquiry may be an associate, member, the result of an internal audit, or other means. The compliance designee considers the appropriate time of initiation of the inquiry to be immediate, but no later than 2 weeks from the date the potential misconduct is identified and/or brought to the attention of the compliance designee. The Organization ensures prompt response to all detected offenses. Research and investigation timeframes may also be dictated by the source of the inquiry.

Inquiries are officially initiated by recording the investigation in the Compliance Log. The inquiry includes an investigation of the matter by the Compliance designee. These research efforts include, but are not limited to, the collection of facts, review of regulatory guidance, contact with members, and/or providers, requests for information from operations, and interviews with associates. All research, inquiries, and other investigative activities are kept within the smallest number of individuals in order to ensure confidentiality whenever feasible. Factual information is assembled, interviews conducted and recorded, and written responses obtained in order to ensure that the inquiry remains objective. Upon completing the investigation, the compliance designee will complete a written summary of the findings.

Corrective Actions

The Organization corrects instances of noncompliance and FWA promptly after they are identified. Root cause analysis is done to ensure the underlying issue is addressed. In cases of compliance violations which clearly demonstrate to be founded and supported by evidence, a corrective action plan (CAP) is issued. The corrective action plan is designed to correct the underlying problem that resulted in the violation and to prevent future reoccurrence. The CAP provides timeframes for specific achievements towards addressing the deficiency. For FDRs, detailed ramifications are also listed in the written agreement if the FDR fails to

implement the corrective action satisfactorily. Beacon clients and/or regulatory agencies are notified of the offense within established timeframes, as appropriate.

The Compliance designee conducts follow-up on all corrective actions to ensure the misconduct has been properly addressed. Failure to properly implement a corrective action may result in disciplinary measures, up to and including termination of an associate or contract.

CODE OF ETHICS

1. All associates shall conduct themselves ethically and in accordance with all applicable laws and regulations.
2. All associates shall treat each other equally, fairly, and with respect, providing an environment free of harassment, discrimination, and violence.
3. All associates shall make good faith efforts to report suspected incidents of noncompliance, violations of federal, state or local laws and regulations and fraud, waste or abuse.
4. All associates shall maintain accurate records and abide by all retention and disposal policies established by the Organization.
5. All associates shall protect the confidentiality of Organization information and Intellectual Property and that of its business partners.
6. No associate of the Organization shall disclose confidential information gained by reason of his or her official position or otherwise use such information for his or her personal gain or benefit.
7. All associates shall use reasonable efforts to prevent the disclosure of protected health information, unless such information is otherwise required by law or authorized.
8. No associate shall use their position within the organization to act on behalf of Beacon Health Solutions, unless so authorized.
9. No associate of the Organization shall accept or solicit any gift, favor, or service that might reasonably tend to influence their discharge of official duties or that he or she knows or should know is being offered with the intent to influence his or her official conduct.
10. No associate of the Organization shall intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised his or her official powers or performing his or her official duties in favor of another.
11. No associate of the Organization shall accept employment or engage in any business or professional activity that he or she might reasonably expect would require or induce him or her to disclose confidential Organization information acquired by reason of his or her official position or which could reasonably be expected to impair his or her independence of judgment in the performance of his or her professional duties.
12. No associate of the Organization shall transact any business in his or her official capacity with any business entity that is of like competing interest of the Organization, including entities in which he or she owns a substantial interest.
13. No associate of the Organization shall make personal investments that could reasonably be expected to create a substantial conflict between his or her private interest and the interests of the Organization.

Pertinent Laws

Title XVIII of the Social Security Act

Passed in 1965, the Social Security Act included Title XVIII, which became known as Medicare. Title XVIII includes Part A, which provides hospital insurance for the aged and disabled, and Part B, which provides medical insurance. To address the Part A and Part B benefits, Medicare offers a choice between an open network single payer health care plan (known as Original Medicare) and plans administered by private companies approved by Medicare (Medicare Advantage, or Medicare Part C), where the federal government pays for private companies to administer health coverage. Medicare Part D covers outpatient prescription drugs exclusively through plans offered by Medicare-approved private insurance companies. Part D plans can either be standalone prescription drug plans or through included in a Medicare Advantage plan that offers prescription drugs.

Medicare regulations governing Parts C and D found at 42 C.F.R. §§ 422 and 423 respectively

Compliance program requirements and related provisions for Medicare Advantage Organizations (MAO) and Medicare Prescription Drug Plans (PDP) are outlined in C.F.R. §§ 422 and 423. As a result, the Organization's compliance program incorporates the elements of an effective program as outlined by C.F.R. §§ 422 and 423.

Patient Protection and Affordable Care Act (Pub. L. No. 111-148, 124 Stat. 119)

This extensive act is most known for the increased rights and protections it establishes for consumers, but it has many provisions, known as titles. The core elements of this act include, but are not limited to, the following:

- Quality, affordable health care
- The role of public programs
- Improving the quality and efficiency of health care
- Prevention of chronic disease and improving public health
- Health care workforce
- Transparency and program integrity
- Improving access to innovative medical therapies
- Community living assistance services and supports
- Revenue provisions

Health Insurance Portability and Accountability Act (HIPAA) (Public Law 104-191)

HIPAA was initially passed to “improve portability and continuity of health insurance coverage.” As a result, there are more consumer protections regarding options for coverage. Later “rules”, or provisions, were passed to protect the privacy, confidentiality, and security of individually identifiable health information. This includes the establishment of security standards for electronic protected health information.

False Claims Acts (31 U.S.C. §§ 3729-3733)

This act gives the federal government leverage against persons/entities involved in fraudulent activities with the government. This allows financial liability in the form of a civil penalty and damages to be imposed for submitting, or causing someone to submit, a false or fraudulent claim for government payment.

Federal Criminal False Claims Statutes (18 U.S.C. §§ 287,1001)

This act is designed to prevent false or fraudulent claims for government funds or property, including, but not limited to Medicare funds. This Act imposes liability on any individual who knowingly, recklessly, or with deliberate ignorance:

- Submits or causes to be submitted to the government a false or fraudulent claim for approval or payment;
- Makes, uses, or causes someone else to use a false record or statement to get a claim paid or approved by the government;
- Makes, uses, or causes someone else to use a false record or statement to conceal, avoid, or decrease the obligation to pay or transmit money to the government; and
- Conspires to do any of the above.

Anti-Kickback Statute (42 U.S.C. § 1320a-7b(b))

This federal statute prohibits any individual or entity from knowingly and deliberately offering, giving, or receiving money or something of value in exchange for referrals of health care goods or services that will be paid for in whole or in part by Medicare or Medicaid.

Associates must be especially vigilant in business dealing with actual or potential business partners to ensure that what the associate may construe as a routine business courtesy is not in fact a bribe or kickback. A routine business courtesy will generally be of fairly low value and will be reasonably related to a legitimate business objective.

Associates of the Organization who are involved in any type of bribery or kickback scheme will receive disciplinary action, up to and including termination and possibly prosecution, if applicable.

Further, Beacon Health Solutions will ensure that government employees are not offered or given, either directly or indirectly, entertainment, gratuities or other items, including transportation or meals at business meetings, that such employees are prohibited from receiving by applicable agency regulations. Accordingly, associates should obtain clearance from the Organization's Corporate Counsel before offering or giving any such item or service to a government employee.

The Beneficiary Inducement Statute (42 U.S.C. § 1320a-7a(a)(5))

The Beneficiary Inducement Law makes it illegal to offer remuneration that a person knows (or should know) is likely to influence a beneficiary to select a particular provider, practitioner, or supplier, including a retail, mail order or specialty pharmacy.

Civil monetary penalties of the Social Security Act (42 U.S.C. § 1395w-27 (g))

This provision of the Social Security Act describes the penalties that can be assessed to organizations that offer Part C and/or Part D plans should CMS determine they do not meet the requirements outlined in their contract(s) with CMS. Examples of such provisions include, but are not limited to:

- Enrolling an individual in any such plan without the prior consent of the individual or the individual's designee
- Failing to re-enroll an eligible individual
- Denying or discouraging an eligible individual from plan enrollment
- Noncompliance with marketing restrictions surrounding these plans
- Failing substantially to provide medically necessary items and services that are required (under law or contract) to an individual covered under the contract

- Employs or contracts with any individual or entity that is excluded from participating in any governmental program.

Physician Self-Referral (“Stark”) Statute (42 U.S.C. § 1395nn)

This statute prohibits a physician from making referrals for certain designated health services payable by Medicare to an entity with which he or she (or an immediate family member) has a financial relationship (ownership, investment, or compensation), unless an exception applies. It also prohibits the entity from presenting, or causing to be presented, claims to Medicare (or billing another individual, entity, or third party payer) for those referred services.

Fraud and Abuse, Privacy and Security Provisions of the Health Insurance Portability and Accountability Act, as modified by HITECH Act

This act could be considered an extension of HIPAA, as it enabled the U.S. Department of Health and Human Services to promote and expand the adoption of health information technology. It addresses the use of electronic health records, including incentives for adopting them and requirements around their disclosure, how to secure protected health information appropriately, and when and to whom notifications should be made in regard to data breaches of unsecured protected health information (PHI).

Prohibitions against employing or contracting with persons or entities that have been excluded from doing business with the Federal Government (42 U.S.C. §1395w-27(g)(1)(G))

Federal law prohibits entities that participate in Federal health care programs (including Medicare, Medicaid, and other governmental programs), from entering into or maintaining certain relationships with individuals or entities that have been excluded from participation in Federal health care programs. The Medicare status also excludes covering any item or service that has been ordered, supervised, or furnished by an individual or entity during the time when the individual or entity has been excluded from the federal program.

Fraud Enforcement and Recovery Act of 2009

This act improves the enforcement of various kinds of fraud related to federal assistance and relief programs, the recovery of funds lost to these frauds, and for other purposes. It increased resources for investigation and prosecution of fraud cases and made recovery under the False Claims Act, 31 USC § 3729 statute easier.

Antitrust Laws

Beacon Health Solutions supports consumer choice in the marketplace. All associates must adhere to the antitrust laws, and avoid conduct and agreements that may illegally, unfairly, or unreasonably restrain competition.

Anti-Money Laundering

Beacon Health Solutions is committed to complying with laws and regulations designed to deter money-laundering and combat the financing of terrorism. Any activity aimed at concealing the origin of unlawfully gained money is strictly prohibited by the Organization. Beacon Health Solutions will use all reasonable efforts to prevent itself from being used by others to facilitate money laundering and the financing of terrorist activities. Further, the Organization will only conduct business with reputable business partners engaged in legitimate business activities, with money derived from legitimate sources.

If it is suspected the Organization has received a suspicious payment or is being used to aid money laundering, it must be immediately reported to the HR personnel.