

# Working with Integrity Code of Business Conduct



Effective 5/22/2018



# Highmark Health

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HM Health Solutions Inc.

HM Health Holdings Company

HM Home and Community Services LLC

Thryve Digital Health LLP

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# MESSAGE

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Dear Highmark Health Colleague:

Highmark Health's brand stands for trust and confidence. This trust is based on our persistent commitment to our vision to be the recognized leader in structuring, financing, and delivering high-quality, affordable health care and services to all members of the communities we serve. Conducting ourselves with the highest level of integrity is paramount to achieving our shared vision.

At Highmark Health, we believe that we have many responsibilities, to our providers, members, and patients, to those who use our products and services and to our business partners and to each other. We treat everyone with dignity and respect and we abide by the laws, rules, and regulations that govern our business.

The Highmark Health Code of Business Conduct outlines our Principles of Integrity and provides an overview of legal requirements applicable to what we do. Highmark Health employees also have responsibilities for being good corporate stewards to protect our good name and reputation. If you observe, learn of, or in good faith suspect an action or situation violates a law, regulation or Highmark Health policy or any of its entities' policies or procedures, or breaches the standards of conduct defined in this Code, you must report it.

Integrity is a firm adherence to a code or standard of values.

—Webster's Dictionary

Highmark Health provides many resources to assist you. You may contact your leader, Human Resources, Integrity and Compliance or the Helpline. All questions and concerns will be treated confidentially and will be promptly addressed.

The information contained in this Code is the framework for making business decisions that will ensure that we are fulfilling our responsibilities with integrity. Therefore, to encourage all employees to speak up when they have questions or concerns or experience wrong doing, Highmark Health has a no retaliation or intimidation policy. This means retaliation or intimidation against those who, in good faith, report concerns or wrong doing to management, Integrity and Compliance or to a government agency is prohibited.

We encourage you to read, become familiar with your responsibilities, and to practice the guidance outlined in this Code. Highmark Health leaders have the additional responsibility to make compliance with this Code, a vital part of our business. Every member of Highmark Health's Board of Directors and leadership team is fully committed to conducting company business according to the Code of Business Conduct and in setting the ethical tone of the company.

Thank you for supporting a corporate-wide culture of working with integrity.

David L. Holmberg  
President and Chief  
Executive Officer  
Highmark Health

Joseph C. Guyaux  
Chairman of the Board  
Highmark Health

Melissa M. Anderson  
Executive Vice President,  
Chief Auditor and  
Compliance Officer  
Highmark Health

# INTRODUCTION

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## Standards of Business Conduct

The Highmark Health Code of Business Conduct (“Code”) establishes the standards of business conduct expected of all of us and reflects our commitment to the highest standards of ethical business conduct. This Code provides the foundation for carrying out our daily activities within appropriate ethical and legal standards. The Code applies to all members of the Board of Directors, officers, employees, Suppliers, and contractors of Highmark Health and the organizations listed at the beginning of this Code (collectively referred to herein as “Highmark Health”). These standards apply to all our relationships with our customers, patients, providers, suppliers, and each other.

The Code provides a process for complying with our legal and ethical responsibilities and requirements, and to ensure that no one is forced to act in an unethical or illegal manner. In addition, the Code reinforces the principle that each and every one of us, including senior management, officers, employees, and the members of the Board of Directors of Highmark Health, has a responsibility to help ensure that we, as a company, operate legally and ethically in our business conduct.

## Publication and Amendments

This Code will be posted and maintained on the Highmark Health website at [www.highmarkhealth.org](http://www.highmarkhealth.org). Because this Code is revised periodically, the most current version of this Code is always available on the website.

# CORPORATE MISSION, VISION, AND VALUES

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## Mission

Highmark Health is an interdependent system designed to deliver high quality accessible, understandable and affordable experiences, outcomes and solutions for our customers.

## Vision

Highmark Health’s dedicated and respected employees will be leaders in the health care industry, working to improve the total health care experience of our customers.

## Values

**People Matter** - Every person contributes to our success. We strive for an inclusive culture, regarding people as professionals and respecting individual differences while focusing on the collective whole.

**Stewardship** - Working to improve the health of the communities we serve and wisely managing the assets which have been entrusted to us.

**Trust** - Earning trust by delivering on our commitments and leading by example.

**Integrity** - Committing to the highest standards encompassing every aspect of our behavior including high moral character, respect, honesty, and personal responsibility.

**Customer-focused Collaboration** - Because no one person has all the answers, we actively seek to collaborate with each other to achieve the right outcomes for our customers.

**Courage** - Empowering each other to act in a principled manner and to take appropriate risks to do what is right to fulfill our mission.

**Innovation** - Committing to continuous learning and exploring new, better, and creative ways to achieve our vision.

**Excellence** - Being accountable for consistently exceeding the expectations of those we serve.

## Core Behaviors

### Customer First

**We place the customer at the center of everything we do!**

- We put ourselves in the customers' shoes
- We anticipate our customers' needs
- We simplify the customer experience
- We deliver solutions that go a step beyond
- We appreciate our customers' loyalty to Highmark Health

### Transformational Leadership

**We are driven to create the future of healthcare!**

- We inspire through vision and action
- We are proactive in driving change
- We are authentic in who we are and what we do
- We embrace courageous conversations
- We challenge ourselves to continuously improve

### Trust Working Together

**We collaborate to achieve shared success!**

- We involve the right partners at the right times
- We treat each other with honesty and respect
- We influence through relationship and not through position
- We trust one another to make the right decisions and do the right things
- We share risks and rewards

### Purposeful Execution

**We value outcomes, not activity!**

- We set clear priorities and expectations
- We take ownership of our commitments
- We take calculated risks
- We are relentless in our pursuit of excellence
- We recognize and celebrate results

## PRINCIPLES OF INTEGRITY

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The Principles of Integrity serve as a path to what is proper in most work situations, regardless of the job at hand. Use them as your primary road map to be successful at Highmark Health.

- Personal and professional integrity is and has been our most important attribute;
- We care not only for the end result but how it is obtained;
- We are honest and forthright. We observe all laws and regulations. It is clear that lawful behavior is not enough; ethical behavior is our standard;
- We trust and rely on our instincts to tell us that something is not quite right;
- Customer, provider, supplier and workforce relations are the cornerstones of our business. They must be built upon credibility and mutual respect;
- We demand ethical conduct in all of our activities; and,
- We strive always to do the right thing.



# OUR CODE OF BUSINESS CONDUCT

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While the Mission, Vision, Values and Principles of Integrity serve as a “general road map” for each of us, our Code provides more details that clarify what is required in a variety of work situations. To make the Code more practical, we have organized it into six Guideposts.

- 1. Committing to Integrity and Compliance**
- 2. Seeking Advice and Reporting Concerns without Fear of Reprisal**
- 3. Complying with Legal and Regulatory Requirements**
- 4. Conducting Business in the Best Interest of Highmark Health Network, our Members, Patients, and Customers**
- 5. Complying with Government Programs Requirements**
- 6. Maintaining a Safe, Respectful, and Dignified Working Environment**

The Code is a tool which helps you decide the right thing to do in each situation. In the final analysis, honesty should always be your guide. A well-founded reputation for honest, scrupulous dealing is itself a priceless personal and company asset. Highmark Health will achieve its mission and goals if each of us guards its reputation. Use the Code always to do the right thing and to avoid even the appearance of impropriety.

## GUIDEPOST 1- COMMITTING TO INTEGRITY AND COMPLIANCE

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### **The Highmark Health Integrity and Compliance Program**

Each of us plays a crucial role in our Company’s ethical culture and business practices. To be effective, Highmark Health’s Integrity and Compliance Program requires everyone’s personal commitment. The Program is guided by our core Values and Principles of Integrity and is designed to promote a culture that encourages ethical behavior and a commitment to comply with applicable federal and state laws, rules, regulations, and guidance.

### **Ethical Leadership and Accountability**

Leaders at all levels have the responsibility to set the example by always being role models of appropriate behavior. Ethical leadership at Highmark Health begins with the Board of Directors and senior leaders setting the ethical direction. By incorporating “integrity” as one of Highmark Health’s corporate values, our leaders aspire to maintain a corporate culture that not only embraces the principle of doing the right things, but also doing things the right way. Leaders will maintain a working environment that is free from harassment; coercion of any kind, especially to perform illegal or unethical acts; discrimination; and retaliation. Our leaders will promote a culture of trust and integrity and provide mechanisms for discussing and addressing such concerns. Leaders are also charged with ensuring that they have sufficient information and resources to maintain compliance with regulatory requirements and code of conduct standards.

## Management Responsibilities

Management must encourage open communication about ethical and compliance issues that may arise. A vital component of this responsibility is to communicate regularly with each person on their team and to actively promote Highmark Health's values and ethical standards so that all of their employees understand how the Code and the Integrity and Compliance Program guide them in their decision making process.

## Employee Responsibilities

Highmark Health maintains policies in a variety of areas (e.g., Human Resources, Finance, Privacy and Security, and Information Technology) which provide detailed guidance on company expectations and requirements for behavior in the workplace and while conducting company business. These policies support and supplement this Code. Annually, all members of the Board of Directors, officers, and employees are required to attest that they understand and agree to abide by the Code and the policies within their respective company. Employee attendance and participation in compliance program activities, including fraud waste and abuse training, is a job performance expectation and a condition of continued employment. Additionally, all employees are expected to cooperate and assist in the resolution of identified compliance issues. Failure to do so may result in disciplinary action up to and including termination of employment. Highmark Health provides information and training to all employees so that they have an understanding of fraud, waste, and abuse laws including the False Claims Act, whistleblower protections, and the role employees play in the Company's compliance program. By committing to these responsibilities, we will continue to meet the expectations of conducting our business with integrity.

## Integrity and Compliance Program Responsibility

The Compliance Officer, who is appointed by and has direct access to the Board of Directors of Highmark Health, has overall responsibility for the Highmark Health Integrity and Compliance Program. The Integrity and Compliance Departments within Highmark Health and its Companies and Diversified Businesses, collectively referred to as "Integrity and Compliance" are responsible for administering the Program under the direction of the Compliance Officer. The Compliance Officer, and Integrity and Compliance Department staff are available to offer guidance and support.

# GUIDEPOST 2- SEEKING ADVICE AND REPORTING CONCERNS WITHOUT FEAR OF REPRISAL

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## How Should I Seek Guidance or Report a Concern?

If you are aware of or suspect unethical or illegal conduct, you have a duty to report the issue or seek guidance. You should speak with your supervisor or manager or contact Integrity and Compliance Department by any one of the following methods:

Call the Integrity Helpline (Available 24/7)  
at **1-800-985-1056**

Write to our Confidential Post Office Box:

**Highmark Health**  
**Integrity and Compliance**  
**P.O. Box 22492**  
**Pittsburgh, PA 15222**

E-mail to: [Integrity@Highmark.com](mailto:Integrity@Highmark.com)

If you choose to make an anonymous report, you should provide enough information about the situation to allow us to properly investigate it. If you do not provide enough details, our ability to pursue the matter will be limited.

All reports will be promptly investigated and when necessary, appropriate actions will be taken to reduce the potential for reoccurrence and to ensure ongoing compliance. Depending on the circumstances, corrective actions may include changes in business processes, employee coaching, or disciplinary actions.

All matters will be handled with the appropriate level of confidentiality. However, if a matter necessitates the involvement of law enforcement, information may be shared as required by law.

In order to receive status updates on the matter or to provide additional information, you are encouraged to re-contact the Integrity and Compliance Department, referencing the matter you have reported.

## **Making the Right Decision**

When confronted with an ethical issue or situation, ask the following questions before making a decision or taking any action.

- Will my action be in accordance with the Code?
- Will my action be appropriate considering Highmark Health's core values and principals of integrity?
- Will my action be legal?
- Will I feel good about my decision and my actions?
- Would I want others to know of my decision or action?

If you answer yes to all of the above questions, then it is likely that you have made a good decision. If you have any doubts, please discuss the decision or action with your supervisor or contact the Integrity and Compliance Department.

## **Personal Obligation to Report**

It is important to remember that the designation of a Compliance Officer and the existence of an Integrity and Compliance Department in no way diminishes your individual responsibility to comply with laws and regulations, the Integrity Process, the Code, and related policies and procedures.

All reports of suspected violations, including all submissions to the Integrity Helpline, will be promptly reviewed by the Integrity and Compliance Department. A thorough investigation will be conducted and an appropriate response will be implemented. In appropriate instances, Highmark Health may report the matter to governmental agencies for further investigation.

All employees must report any evidence of a violation of a law or regulation as well as breach of fiduciary duty or similar violation by Highmark Health, its employees, subsidiaries, affiliates or agents to either the Chief Legal Officer or the Chief Executive Officer.

## **When contacting Integrity and Compliance...**

...You will be treated with dignity and respect;

...You do not have to give your name;

...No caller ID is used when calling the toll-free Integrity Helpline number;

...All matters will be handled with the appropriate level of confidentiality;

...Your questions or concerns will be promptly reviewed and addressed; and

...You will be protected from any form of retribution or intimidation.

Disciplinary or corrective action in response to substantiated allegations is an integral part of the Highmark Health Integrity Process. If you experience or are aware of any ethical or compliance concern, you have a personal obligation to report it. Knowledge of a possible violation of a law that is not reported may result in disciplinary action.

We are expected to fully cooperate with inquiries made by the Compliance Officer or the Integrity and Compliance Department and respond completely and truthfully to any and all questions. We must refrain from discussing such inquiries with others to protect ourselves, the accused, and the integrity of the investigation.

**Q: I saw my supervisor engaged in an activity that is against the principles of the Code. The matter does not concern me personally. What should I do?**

**A:** Even though the matter does not concern you personally, you have a personal obligation to report any suspected violations to the next highest level of management or to Integrity and Compliance. You may use the anonymous Integrity Helpline or other confidential means to report this concern. Highmark Health maintains a reprisal-free environment and has a policy of non-retaliation and non-intimidation to encourage employees to raise ethical or legal concerns in good faith.

## **Protection from Retaliation and Intimidation**

Highmark Health maintains a reprisal-free environment and has a policy of non-retaliation and non-intimidation to encourage employees to raise ethical or legal concerns in good faith. Retaliation or intimidation against those who, in good faith, report wrongdoing to management, Integrity and Compliance Department, or a government agency is prohibited. Management must refrain from speculating or questioning individuals in an effort to determine who might have reported a possible violation or cooperated in an investigation. Such behavior can give the appearance of retaliation or can be perceived as intimidation by an individual who has reported or is thinking of reporting a matter to Human Resources or the Integrity and Compliance Department.

The federal and state False Claims Acts also protect anyone who files a False Claims lawsuit from being fired, demoted, threatened, or harassed by their employer for filing the suit. Additional employee whistleblower protections were established under the National Defense Authorization Act for Fiscal Year 2013. Similar to the False Claims Act, we cannot discharge, demote, or otherwise discriminate against an employee as a reprisal for disclosing information (except for classified information) that the employee reasonably believes is evidence of any of the following: a gross mismanagement of a federal contract or grant; a gross waste of federal funds; an abuse of authority relating to a federal contract or grant; a substantial and specific danger to public health or safety; or a violation of law, rule, or regulation related to a federal contract (including competition for or negotiation of a contract) or grant. Employees who disclose these types of information to the following persons or entities are protected: a member of Congress or a representative of a committee of Congress; an Inspector General; the Government Accountability Office; a federal employee responsible for contract or grant oversight or management at the relevant federal agency; an authorized official of the Department of Justice or other law enforcement agency; a court or grand jury; or their management or the Integrity and Compliance Department, who has the responsibility to investigate, discover, or address misconduct.

Pursuant to the Defend Trade Secrets Act of 2016, an individual may not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (a) is made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding.

Further, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the employer's trade secrets to the attorney and use the trade secret

information in the court proceeding if the individual: (a) files any document containing the trade secret under seal; and (b) does not disclose the trade secret, except pursuant to court order.

## Disciplinary Action

Failure to comply with the Code and Highmark Health's policies could result in disciplinary action, up to and including termination of employment. The severity of the discipline depends on the nature of the violation.

Everyone should also be aware that they have an obligation to report known or possible occurrences of wrongdoing and failure to do so could also result in disciplinary action.

# GUIDEPOST 3- COMPLYING WITH LEGAL AND REGULATORY REQUIREMENTS

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The activities of Highmark Health and each of its officers, members of its Board of Directors, and employees must be carried out in accordance with applicable laws, rules, regulations, and contractual obligations. We are required to obey all applicable laws, including United States laws that have application outside of the United States. Those who violate laws, rules, or regulations may be personally subject to individual, civil, or criminal liability as well as to disciplinary action. Our actions may also expose Highmark Health to civil or criminal liability or loss of business.

This Code provides general direction on a broad range of issues; however, it is not intended to address every law and regulation in existence or in the future that could impact our job. Because of the wide range of health care services we provide, separate policies and procedures specific to operations of our insurance business, management services organization, group purchasing organization, physician practices, and hospital operations have been adopted. These policies and procedures are more specific and may be more stringent than the standards set forth in this Code.

## Competition and Antitrust Laws

The United States antitrust laws are designed to create a level playing field in the marketplace and to promote fair competition. Federal and state antitrust laws are intended to encourage such competition by prohibiting agreements that restrain trade, such as agreements by competitors regarding the price they will charge for their products. Other practices limiting competition, such as agreeing on product characteristics, dividing up markets, "rigging" bids for contracts and agreeing to boycott competitors or suppliers, may also violate the antitrust laws.

Under antitrust laws, competitors may not make agreements on the prices they will charge for products or services, the territories in which each company will sell products, customers to whom each company will offer its products, certain types of products, or the amount of any product each company will produce or offer for sale in the marketplace. In addition, competitors may not agree on the use or

**Q: What are examples of conduct that is considered unfair competition?**

A: Unfair competition can include stealing or misusing a competitor's trade secrets; making false statements about competitors or their products or services; obstructing competitors' supply sources; and paying bribes to help increase company business or hurt a competitor.

**Q: When I attend trade shows and conferences, I usually have an opportunity to meet with representatives of competitors. Is it okay for me to talk to them?**

A: Yes, but you must avoid conversations about inappropriate topics such as pricing, marketing plans, labor costs, and terms and conditions of sales to customers.



non-use of suppliers or on any contract terms and conditions except in the context of participating in a group purchasing organization that complies with all regulatory requirements.

Tying arrangements exist when one company conditions the sale of goods or services on the purchase of some other, unrelated good, or service. In certain circumstances, antitrust laws prohibit these arrangements. Seek guidance from the Law Department with any questions or concerns.

Members of trade associations and other industry groups are, by their very nature, competitors. You must be particularly sensitive about trade association activities that might be construed as leading toward an agreement concerning prices or services.

## **Detecting and Preventing Fraud, Waste, and Abuse**

Highmark Health is committed to preventing, detecting, correcting, and reporting fraud, waste, and abuse committed against the company both internally and externally. Fraud, waste, and abuse can include, but is not limited to, illegal or fraudulent conduct, waste of resources or funds, abuse of property or resources, gross mismanagement, or misappropriation of funds.

We value our reputation for integrity and require everyone to act in accordance with legal, ethical, and moral standards. Highmark Health provides information and training to all employees so that they have an understanding of fraud, waste, and abuse, the federal and state laws pertaining to the False Claims Act, and whistleblower protection under such laws. Highmark Health will investigate and when required, report evidence of fraud, waste, or abuse to the proper authorities in a timely and accurate manner.

## **Prohibitions on Accepting or Offering Kickbacks and Gifts**

We may not offer or accept any kickbacks, gifts, entertainment, gratuities, or anything of value from suppliers, providers, consultants, or government officials in exchange for an unfair competitive advantage. It is a violation of the federal Anti-Kickback Act to offer or accept “remuneration” (anything of value) in exchange, directly or indirectly, for the referral of a federally funded health care program, unless it falls within certain “safe harbors” specified under federal laws. Because these laws and the accompanying safe harbor provisions are complex, you should refer any questions or concerns regarding a specific transaction to the Highmark Health Law Department.

Local, state, and federal government agencies have strict rules describing if and when their employees can, or cannot, accept entertainment, meals, transportation, gifts, and other things of value from companies or people they regulate or with whom they do business. We are not permitted to give, or offer to give, to government employees any item, service, entertainment, meal, gift, or transportation, if giving or accepting it would violate applicable law or regulation. Similarly, we shall not make loans, guarantee loans, or make payments to or on behalf of any local, state, or federal government employees.

## **Insider Trading**

Although Highmark Health is not a publicly traded company, members of the Board of Directors, officers, and employees are obligated to comply with insider trading laws. In the course of conducting business, we may become aware of non-public information about other companies that

### **Q: What is considered “inside information”?**

A: Inside information is positive or negative information about a company not yet released to the public that a reasonable investor would find useful in determining whether to buy, sell, or hold a stock or security. Examples of inside information about a company may include:

- Financial results or forecasts
- Change in dividends
- Major new contract or contract cancellation
- Litigation involving the company
- Change in the company’s senior management
- Possible mergers, acquisitions, or joint ventures

may be useful to an investor's decision to buy or sell securities. If you become aware of such information, you may not use this information to buy, sell, or retain securities of that company. You also may not disclose this information to anyone outside of our company and, within our company you may discuss the information only with those who need to know it in the course of their duties for our company.

## Export Restrictions

Employees involved with the export or re-export of goods and services must be familiar with and follow the regulations of those countries where any subsidiary conducts business. Employees are responsible for knowing with whom they are transacting business and must not facilitate business with entities or individuals specifically prohibited by law, or with countries that may fall under comprehensive trade embargoes or economic sanctions. Employees should seek guidance from the Highmark Health Law Department concerning export or re-export of goods and services, including transactions involving a foreign subsidiary, if they have any questions or concerns.

## Anti-Boycott

Any subsidiary that conducts international business must also comply with the anti-boycott requirements of the Export Administration Regulations. These anti-boycott requirements prohibit certain conduct and actions that further boycott or restrict trade practices not supported by the United States, such as agreeing to boycott terms and conditions in a transaction. Generally, we are required by law to report a request to participate in an unapproved boycott to the United States government.

## Intellectual Property Laws

It is critical that we understand and comply with the laws governing the use of intellectual property, including those regarding copyrighted and trademarked materials.

A copyright is an intangible right of the creator of certain works such that he/she is the only individual allowed to copy the work, or a significant portion of it. In general, we may not copy or distribute, electronically or otherwise, any copyrighted materials unless prior written permission is obtained from the copyright owner. A copyrighted work can usually be recognized by the symbol ©, date of publication and the name of the copyright owner displayed prominently on the work.

The term trademark includes any word, name, symbol, or device or any combination thereof adopted and used by an individual or corporation to distinguish its goods from those sold by others.

Highmark Health also licenses computer software from a variety of suppliers. Most of our software license agreements contain restrictions regarding the use of the software. This means that we are prohibited from copying, downloading, or reproducing the software for personal use. In addition, Highmark Health is prohibited from creating or loading any unauthorized copies of software programs.

## Political Activities

As an exempt organization described in section 501(c)(3) of the Internal Revenue Code, Highmark Health is prohibited from:

- Participating in or intervening in, including the publishing or distributing of statements in any political campaign on behalf of or in opposition to any candidate for public office.
- Using corporate funds in connection with federal elections.
- Using Highmark Health corporate funds to directly or indirectly contribute to individual political campaigns or to political parties.

**Q: I volunteer in the local campaign office for a political candidate. Is this okay?**

A: Yes. As long as your activities are done on your own time, at your own expenses and outside of Highmark Health, this is permissible.

- The use of company resources, including workforce members', vendors', and contractors' time, or facilities to support or oppose any candidates for office.
- Examples of activities prohibited to be performed by employees running for elected office as a candidate or on behalf of a political candidate include, but are not limited to:
  - Use of Highmark Health's office supplies, facilities, or food services;
  - Purchases of prizes by Highmark Health for use or consumption in a fundraiser;
  - Calling potential supporters or voters from Highmark Health assets.

Highmark Health will not:

- Reimburse employees for any personal or political contributions.
- Permit employees to use their position to coerce another member of the workforce to work for a candidate or political organization, or to make personal contributions to a party or candidate.
- Allow political statements to be made on Highmark Health letterhead or in any manner which leads the reader to believe that the statement is an official statement of Highmark Health.

Highmark Health recognizes everyone's freedom of choice regarding political matters. As individuals, employees may, of course, choose to participate in the political process on their own time and in the manner they choose.

Employees who are personally involved in the political process must clearly identify that their actions are personal and not those of Highmark Health or its family of companies. Employees must avoid conflicts of interest when serving in public office by excusing themselves from any political matters involving Highmark Health.

**Q: I am running as a candidate for elected office. Is this okay?**

A: Yes. As long as your activities are done on your own time, at your own expenses and outside of Highmark Health, this is permissible.

## Government Investigations and Interacting with Government Personnel

Appropriate handling of government investigations is very important, both for Highmark Health and its workforce. Virtually all the laws regulating Highmark Health's business—including antitrust, insurance, and government contracting laws—contain criminal and civil penalties. Violation of these laws can result in criminal penalties not only for the company but also for individuals. It is Highmark Health's policy to provide full cooperation with any government agency responsible for audits, investigations, or corrective actions. If you are contacted by a government agency regarding an investigation related to Highmark Health, you must immediately contact the Highmark Health Law Department.

Government officials rely upon the accuracy of oral and written statements made by Highmark Health and its employees. It is a violation of the law for any individual to knowingly make a false or misleading statement to a government official or representative, including auditors conducting audits on behalf of the government, in connection with a government program. In every instance, it is the obligation of Highmark Health and its employees to provide accurate and complete information to the government.

Federal and state laws impose significant criminal penalties for bribing any public official, governmental employee, or candidate for public office. Specifically, these laws prohibit us from offering or giving anything of monetary value (such as a gift, loan, contribution, reward, or promise of employment) to any public official, public employee, or candidate for public office—or any member of their immediate family—based on our understanding that his or her vote, official action, or judgment could be influenced as a result.

Congress has adopted strict rules generally prohibiting the provision of gifts, including travel, to members of Congress and congressional staff members. Additional restrictions apply to Executive Branch officials. State laws may also restrict making gifts or providing other things of value to certain public officials.



## Interacting with Foreign Government Personnel

Corruption can distort the marketplace and erode public confidence. There are United States laws that address this concern. Specifically, the Foreign Corrupt Practices Act (FCPA) imposes criminal penalties on American enterprises that bribe officials of foreign governments. The FCPA prohibits payments of (including promises to pay, or authorizations to pay) money, gifts or anything of value to officials of foreign governments in order to obtain or retain business. Payments or gifts to a third party while knowing that all or part of the money or gifts will be offered to a foreign government official are also prohibited.

Highmark Health is committed to conducting ethical business practices free from unfair inducement by ensuring that its employees are aware of their responsibilities whenever conducting business in the United States and throughout the world. Those of us with a responsibility in international operations must be familiar with, and comply with, the FCPA and with similar laws that govern our operations in countries in which our company conducts business. If there is any uncertainty, you should consult the Highmark Health Law Department for guidance.

# GUIDEPOST 4- CONDUCTING BUSINESS IN THE BEST INTEREST OF HIGHMARK HEALTH, OUR MEMBERS, PATIENTS, AND CUSTOMERS

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## Committed to Quality

As an industry leader, Highmark Health has served our community with integrity and is committed to maintaining the highest standard of quality in our products and services for customers, members, and patients.

Our customers include individuals, local, state and federal government, and private businesses. Our customers expect our products and services to meet their requirements and quality standards. In order to preserve the reputation of our brand, we must strive every day to carry out all of our business contracts in accordance with the terms of those contracts and we must ensure that accurate and complete information is provided when negotiating and administering them.

We believe all health care services or items recommended should be medically necessary as determined by the accepted professional standards of the relevant health professional. Medical necessity is the standard for making all care decisions and we believe that all patients have the right to be involved in all aspects of their care. Therefore, we encourage patients' participation in the development of their plan of care. Furthermore, we believe patients should be provided with sufficient information for their informed consent for surgery and other significant or invasive treatments or procedures.

Highmark Health also believes its goals in delivering quality and unbiased health care. As such, Highmark Health does not discriminate against patients on the basis of sex, age, economic status, educational background, race, color, religion, ancestry, national origin, sexual orientation, gender identity, marital status, or source of payment.

## Proper Use of Company Assets

By using Highmark Health assets only for business-related purposes, we can deliver products and services more efficiently and cost effectively. Company assets include such things as equipment, inventory, corporate funds, and office supplies as well as intangible items such as concepts, business strategies and plans, customer information, financial data, intellectual property rights, and other business information. Highmark Health employees, officers, and members of its Board of Directors are prohibited from using company property, information, or positions for personal gain.

Communications delivered via corporate systems are not private and are, as such, subject to management review and can be subpoenaed to serve as evidence in a court of law.

## Accurate and Timely Records and Financial Reporting

Our customers depend on Highmark Health to maintain and provide accurate information. Maintaining information and records accurately and completely is vital to the success of Highmark Health's businesses. A record is defined as a book, document, or any other data, regardless of the type or form. A record may be written or electronic including emails. Records may contain financial, operational or safety data.

We are obligated to accurately and truthfully document our work and to not make false or misleading oral or written statements regarding such work. Highmark Health employees, officers, and members of its Board of Directors are prohibited from taking any action to manipulate, mislead, coerce, or inappropriately influence any independent auditor engaged in an audit of the financial statements of any Highmark Health company.

When preparing source documents for financial transactions, it is important to provide accurate information so that costs can be allocated to the appropriate product lines. No payment may be approved or made with the intention or understanding that any part of the payment is to be used for a purpose other than company business. Failure to maintain accurate books and records may expose Highmark Health to significant fines, as well as civil and criminal penalties.

It is a criminal offense to destroy records that are subject to a subpoena or government investigation. Records must be maintained in accordance with departmental and corporate records' retention guidelines and must not be destroyed before the prescribed retention period has expired or until threatened or pending litigation or government investigations are concluded.

Highmark Health officers, members of the Board of Directors, and employees are prohibited from taking any action to manipulate, mislead, coerce or inappropriately influence any independent auditor engaged in an audit of the financial statements of Highmark Health.

**Q. I plan to travel for work and do not want to bring my work-issued laptop. Can I email some of my work documents to my personal email account so that I can access it from my personal iPad or a guest computer at my hotel?**

A. No. Company policy strictly prohibits using personal email or non-work-issued or approved computing devices to conduct company business as the security of such email accounts or computers is unlikely to be as secure as required by company policy.

### Did you know that ...

...without proper documentation you cannot prove a job was done?

...failing to keep documentation could subject Highmark Health to financial penalties?

...willful recording of incorrect information could be considered a false claim?

## Public Representation of Highmark Health

When communicating publicly, you must be cognizant of keeping your personal views separate from communications you make and actions you take on behalf of the company.

## Interacting with the Media

To ensure that the views of Highmark Health are accurately depicted and appropriately and consistently represented in public, all news media communications must be coordinated through Corporate Communications and Public Relations. You should not be interfacing directly with the media on behalf of Highmark Health.

## Participating in Social Media

Participation in social media on behalf of the company must be coordinated through Corporate Communications and Public Relations. When you speak, write, or participate in public forums or social media networks, do not associate Highmark Health with your own personal opinion. Employees participating in social networking on their own time must not publish content that is Highmark Health's property and/or could damage Highmark Health's business reputation or the business reputation of its customers and providers.

## Endorsing Other Organizations or Products

As a general rule, Highmark Health directors, officers and employees shall not provide testimonial statements that could be used as an advertisement for Suppliers or their products unless supported by Highmark Health. If you receive a request for an endorsement of an external entity, you must consult with the Integrity and Compliance Department before you respond to such request. For the purpose of this Code, an endorsement means any promotional message reflecting opinions or experiences of a third party's services or products that the third party could use for advertising purposes. References provided for Suppliers in the ordinary course of business are not considered endorsements.

## Protecting Highmark Health's Confidential Information

Highmark Health has a zero tolerance policy within respect to safeguarding and proper use of member data. Member data may include information about co-workers, family members, relatives, notable people, or celebrities. All of us are expected to strictly comply with company policies regarding privacy and use of data. We must safeguard all of the company's Confidential Information, including, but not limited to Protected Health Information (PHI), Personally Identifiable Information (PII), Proprietary/Trade Secret Information, and Competitively Sensitive Information (CSI). All of us must strive to prevent improper user or disclosure of or access to that information. Even after our employment ends, certain obligations remain in effect, as outlined in the Confidential Information and Invention Agreement we signed when we began employment.

All information that is maintained by the company is classified into three major categories: Public Information, Government Information, and Confidential Information. The information within each category is subject to specific data sharing policies and approval processes.

### PASS THE WORD...

To allow others access to your work files while you are on vacation or away from work...

Move them to a shared or public drive within your department

Consult with your management to determine other options or to assign a surrogate

You are responsible for systems accessed under your logon ID

## Public Information

Public information represents all information created or received by the company that is generally found in the public domain and is not otherwise sensitive, confidential, classified, or secret. There are no special use or disclosure requirements regarding this information.

## Government Information

Most of the information relating to government contracts is government property. Certain government contracts prohibit the use of government-owned information or data to further Highmark Health's private business endeavors. Release of such data, even to our own subsidiaries, without the permission of the relevant government entity is not permitted.

## Confidential Information

Confidential Information includes information either generated by the company or made available to the company for purposes of conducting its business operations. Confidential information is further subdivided into the following nine (9) categories: Financial Information, Human Resources Information, Group Customer Account Information, Proprietary Information, Provider Information, CSI, PHI, PII, and Non-Public Personal Information (NPPI). For additional information concerning appropriate use and disclosures of this data, refer to the Highmark "Preserving Trust through Privacy and Information Management" Policies and Procedures or to Policy 132, Information Use, Management, and Disclosure. You may also contact the Data Ethics, Policy and Privacy Department ([privacy@highmarkhealth.com](mailto:privacy@highmarkhealth.com)) for additional information.

Highmark Health maintains data used in its business operations in strictest confidence, and according to established ethical standards and applicable federal and state laws and regulations. Safeguarding Confidential Information is everyone's responsibility. If you have any questions, contact the Data Ethics, Policy and Privacy Department.

**Q: A famous athlete has received treatment that is covered by one of our plans. Would it be a violation of this Code and the Highmark Health Handbook of Privacy Policies and Practices if I just look up the procedure code in the system? I am not going to tell anyone.**

A: Yes. To do so would be a violation of Highmark Health's Policies as well as the HIPAA Privacy Rule because members of Highmark Health's workforce may only use, disclose, or request the minimum necessary Protected Health Information to accomplish the intended purpose as it relates to the performance of their jobs. Looking up a customer's procedure out of curiosity is a violation of law and company policy and could lead to disciplinary action, up to and including termination of employment.

## Competitively Sensitive Information

Competitively Sensitive Information (CSI) is non-public information held by Highmark Health which includes: past, present, and future reimbursement rates and rate schedules; contracts with providers; contracts with payers; any term or condition in a payer-provider agreement that could be used to gain an unfair commercial advantage over a competitor or supplier, including but not limited to discounts, reimbursement methodologies, and provisions relating to performance, pay for performance, pay for value, tiering of providers, cost data, and methodologies including specific cost and member information and revenue, or discharge information specific to the payer or provider; contract negotiations or negotiating positions, including but not limited to offers, counteroffers, party positions, and thought processes; specific plans regarding future negotiations or dealings with payers or providers; and claims reimbursement data.

All Highmark Health companies have adopted policies for the protection of CSI. These policies prohibit the sharing of CSI among certain corporate affiliates of Highmark Health. The improper sharing of CSI could result in the reduction of competition, competitive innovation, or pricing, as well as notice to the Pennsylvania Insurance Department (PID). Employees should refer to Highmark Health's "Policy Protecting Competitively Sensitive Information" or to their company's policy to understand their obligations to safeguard CSI. Questions concerning specific uses of CSI should be submitted to [Infomgmtdecisions@highmarkhealth.org](mailto:Infomgmtdecisions@highmarkhealth.org).

## Acceptable Use of Electronic Communication and Information

The Company's information systems are the exclusive property of Highmark Health and are to be used for business purposes only. This includes but is not limited to desktop computer equipment; hard drives; printers; handheld devices; software and operating systems; telephones; and network and/or Internet-related accounts providing electronic mail ("e-mail"), instant messaging, browsing, newsgroup access, social networking access, and/or file-transfer capabilities. Subject to certain restrictions and with limited exceptions, Highmark Health provides to every employee, as required by the employee's individual job function, access to the company's internal network. All employees with such access are also provided with an

**Example:** Tricia, a data analyst in the Allegheny Health Network financial operations area sits in the cubicle next to her colleague Glen. One afternoon Tricia overhears Glen talking on the phone to Helen who works as an analyst in Highmark Health Informatics. Glen thanks Helen for the report she generated and sent to him containing Highmark BCBS member-level data pertaining to specific cost and reimbursement rates for particular drugs and the associated prescribing provider information. Concerned that competitively sensitive information was compromised, Tricia contacts the Highmark Health Chief Privacy Officer.

**Q: Jack has been working a side job in the evening as a freelance website developer. Can he use Highmark Health assets to create his customer's websites, as long as it is in the evening and during non-work hours?**

A: No, although Jack is working off-hours, Highmark assets are only to be used to conduct Highmark Health business and never should be used for personal gain or profit. In addition, all information created or stored on the company's information systems is property of Highmark Health.

**Q: Joe created flyers on his Highmark Health laptop to promote an upcoming community event. Joe sent the flyer in a mass communication to Highmark Health employees. Were Joe's actions appropriate?**

A: No. Highmark Health maintains the right to monitor all information systems and Authorized Users should not expect any privacy with regard to any communication that they create, receive, or store on Highmark Health's assets and systems. In addition, Highmark Health's assets are to be used for business purposes only.



Internet e-mail address. Other types of Internet access, such as browsing capabilities, are made available to Company employees with a demonstrated business need.

## **Personal Use**

Authorized Users, defined as any person to whom Company has granted a unique user identification to gain access to the Company's systems, should only use Highmark Health assets for business related purposes. Highmark Health's information systems may never be used for personal gain or profit.

The use of external personal email accounts (e.g. Hotmail, AOL, Yahoo mail) to conduct Company work is prohibited.

## **No Expectation of Privacy**

Authorized Users have no legitimate expectation of privacy with regard to any communication that they create, receive, or store in Highmark Health's assets and systems, including, but not limited to e-mails, instant messages and photographs. Authorized Users should be aware that all information created or stored on the company's information systems, is the property of Highmark Health, is subject to monitoring and auditing. The company cannot and does not guarantee the privacy or confidentiality of any personal (i.e., non-business-related) information stored on Highmark Health's information systems. Personal (i.e., non-business-related) information that is intended to remain private and/or confidential should therefore not be created or stored in Highmark Health's systems.

## **Monitoring**

Activity conducted under the Authorized User's ID and password is monitored.

Highmark Health maintains the absolute right to monitor all information system use by Authorized Users for any purpose, and particularly to ensure proper working order, to assure appropriate use, and to maintain the security and integrity of the company's information. Highmark Health may retrieve the contents of any communication or file created or stored on the company's systems. Highmark Health may access any Authorized User's files, including archived material of present and former Authorized Users, without the Authorized User's consent, for any purpose deemed appropriate by the company.

## **Use Outside the United States**

No company issued devices are permitted to leave the United States unless prior approval is requested with business justification in writing to Information Security Officer and Risk Management and approved by the Chief Information Security Officer (CISO) or delegate.

If CISO approval is granted, business use may also require approval by the Chief Privacy Officer (CPO).

## Social Networking

Social networking is the use of SharePoint, blogs, wikis, virtual worlds, Twitter, Facebook, Instagram, Snapchat and other emerging media. Generally, Highmark Health does not permit Authorized Users to use its assets and systems for social networking. All Authorized Users are personally responsible for the content they publish on social networking platforms. Highmark Health strictly prohibits the use of its assets and systems for social networking communications that damage or that could damage Highmark Health's business reputation as well as the business reputation of its customers and providers.

### Acceptable and Impermissible Content

Authorized Users must exercise good judgment and professionalism when creating, editing, publishing, storing, or transmitting content on Highmark Health's systems. This applies to all systems and applications, including but not limited to email, instant messages, video, audio, images, or pictures. Among other things, Authorized Users may not use Highmark Health's systems and assets to create or transmit any of the following content:

- Ethnic or racial slurs, personal insults, obscenity, profanity, slanderous and libelous statements, political attacks, or statements that would violate any corporate policy;
- Content that discriminates on the basis of an individual's protected status under the law;
- Content that is harassing, threatening, hateful, or demeaning;
- Content that is pornographic or sexually explicit;
- Content that promotes or that is designed to incite violence;
- Content that violates or that encourages anyone else to violate the law, including the sale or distribution of illegal substances or the unlawful sale or distribution of controlled substances;
- Content that infringes on any intellectual property rights including, but not limited to, copyrights, trademarks, and rights of publicity;
- Content that places a person in a false light or that portrays someone or someone's image inappropriately or distastefully;
- Protected Health Information and Personally Identifiable Information, beyond that which is authorized for business purposes and then only to the extent that is minimally necessary.

### Restrictions and Prohibitions on Use and Access

All information activity, including e-mail communications and Internet access, should be conducted in a responsible and professional manner reflecting the Company's commitment to honest, ethical, and non-discriminatory business practice. For more information, please review the corporate policy regarding Acceptable Use of electronic communication and information.

### Fair Dealings

Customer and supplier relationships should be based on the cost and the quality of the products and services and should not be influenced by personal relationships. Those of us involved in the

#### Example:

Ted had a bad day at work and is upset with a project he has been working on for more than a year. When Ted gets home, he decides to vent on social media and posts obscene comments about the Highmark Health Project Manager who has been overseeing Ted's project.

Ted arrives at work the next day and is immediately contacted by his manager. Ted's manager is aware of the post and the obscenities about the Highmark Health Project Manager.

Even though Ted posted his comments on social media during off hours and from his personal equipment, Ted has violated the Code by including the Project Manager who was from Highmark Health. Ted is reported to Human Resources for appropriate disciplinary action, up to and including termination.

purchasing or bidding process must ensure that communications and representations made to prospective suppliers and customers are true and accurate.

In addition, we shall not take unfair advantage of our customers and suppliers through manipulation, coercion, misrepresentation of information, or abuse of privileged information.

We are obligated to guard against any behavior, including the personal giving or accepting of gifts, meals, or other gratuities that could be perceived as improperly intended to influence a business decision. These rules apply to the products and services Highmark Health buys as well as to products and services that Highmark Health sells.

## Gathering Information about Competitors

Obtaining public information about other organizations, including our competitors, through legal and ethical means such as public documents, public presentations, journal and magazine articles, and other published information is not unusual nor is it restricted. We are not permitted and should always avoid using improper means, such as misrepresentation, theft, bribery, or improper infiltration to gather competitive intelligence.

## Marketing and Advertising

Highmark Health uses marketing and advertising activities to educate the public, increase awareness of our products and services, and to provide information to the community.

Highmark Health will present truthful, fully informative, and non-deceptive information in these materials and announcements. All advertising materials must be clear, honest, and fair as to content.

## Conflicts of Interest

Conflicts of interest may arise when outside personal interests, employment, or affiliations influence or create the appearance of influencing business decisions. Business affiliations and financial interests by immediate family members or by persons with whom an employee, officer, or member of the Board of Directors has a close personal relationship may also create a possible conflict of interest.

Employees, officers, and members of the Board of Directors must avoid situations where personal interests appear to conflict or actually conflict or compete with the interests of Highmark Health. For instance, it is a conflict of interest to work simultaneously for Highmark Health and a competitor of Highmark Health. In addition, certain affiliations such as employment or serving as a board member with a Supplier, provider or customer may create a potential conflict of interest situation depending on the employee's position with Highmark Health. An example of prohibited activity is selling products similar to those offered by Highmark Health for a competitor of Highmark Health.

Following are some basic details to remember about conflict of interest (COI) disclosures:

- Disclose all potential or actual conflicts when completing the COI disclosure statement at the time of hire and annually.
- Keep your COI disclosure statement updated at all times by reporting new disclosures as they occur.

### DO YOU OR A FAMILY MEMBER HAVE...

...another job outside of the company that could influence your judgment or decisions you make in your Highmark Health work?

...a financial interest or investment in a business outside of the company that may conflict with the interests of Highmark Health?

...an offer of a gift or entertainment from someone who has a business relationship with Highmark Health?

If you do, a potential conflict of interest exists. You should consult with Integrity and Compliance.



- Direct any questions regarding potential or actual conflicts of interest to your supervisor, manager, or the Integrity and Compliance Department. The Integrity and Compliance Department can be reached via the Helpline (1-800-985-1056) or email (Integrity@Highmark.com).

To further ensure independent decision making, Highmark Health shall not directly or indirectly, including through any subsidiary, extend or maintain credit, arrange for the extension of credit, or renew an extension of credit in the form of a personal loan to or for any member of the Board of Directors.

## Gifts, Gratuities, and Entertainment

Employees, officers, and members of the Board of Directors are prohibited from accepting or offering any gift or entertainment that is not incidental to a business relationship. Highmark Health requires that employees may not accept or offer any gifts, entertainment, favors, honoraria, or personal services payments other than those of nominal value (as defined in the applicable Highmark Health Corporate Policy). Offering and accepting cash or cash equivalent is strictly prohibited.

As a general rule, gifts and entertainment of a nominal nature may be an acceptable business practice as a means to build corporate goodwill. However, offering or accepting gifts or

entertainment that are not incidental to a business relationship, or might be perceived to be primarily intended to gain favor or to compromise a business decision, must be avoided. Examples of inappropriate gifts and entertainment include:

- lavish dinners
- weekend trips
- cash or cash equivalents (such as gift cards/gift certificates, loans, stock/stock options), and honoraria for company related activities
- personal charitable or political contributions on behalf of the employee
- “Quid pro quo” offerings - gifts that are given or taken in return for something else
- Items that may be viewed as vulgar, pornographic, offensive, or poor taste

All gifts, gratuities, and entertainment provided to any labor organization, officer, employee, agent, shop steward or other representative of a labor organization (even if the person is a relative or friend) must be reported through the appropriate internal reporting process so that the required LM-10 reports may be filed with the Department of Labor.

**I am preparing for our annual employee golf outing. Can I request items from some of our suppliers to use as prizes for this event?**

**Should I accept those sporting event tickets offered by one of our customers?**

**Is it okay to have a lunch meeting where the supplier picks up the tab?**

These and other questions can be addressed by asking yourself a few questions as covered in this section or by consulting with Integrity and Compliance.

### ASK YOURSELF:

- How would accepting or giving the gift or entertainment appear to others at Highmark Health, my peers, or the general public?
- Will my giving or accepting of this gift influence what the company pays or is paid for its products, services, etc.?
- Should I give or accept this gift merely because “it always has been done this way”?
- Is this gift being offered or given because my position enables me to influence a Highmark Health decision in favor of the customer or supplier?
- By giving or accepting this gift, will I put myself, or appear to put myself, in a compromised position?

If you answered "yes" to any one of these questions, then declining the gift may be the appropriate action. Because each offering is different, your decisions should be evaluated on a case-by-case basis.

## GUIDEPOST 5- COMPLYING WITH GOVERNMENT PROGRAM REQUIREMENTS

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### Guidelines for Government Programs

Certain Highmark Health subsidiaries are government contractors under both federal and state contracts. In the course of your employment you may directly or indirectly perform services or work related to one or more of these contracts.

When performing services related to one of these contracts, we must be cognizant of any additional requirements and obligations imposed by the government. It is Highmark Health’s policy to go beyond the minimum requirements for legal and regulatory compliance to avoid even the hint of any impropriety. In this regard, it is critical that everyone recognizes the applicable legal and regulatory obligations and that these obligations apply not only to employees in the dedicated government units but to all employees who support these government contracts.

### Dealing with Excluded or Ineligible Persons

Under certain contracts with the federal and state governments, Highmark Health is prohibited by law or contractual provision from contracting or doing business with any person or entity that is currently debarred, suspended, excluded, proposed for debarment, or declared ineligible to perform work under any government contract or subcontract.

Highmark Health will not knowingly employ any individual who has been convicted of a criminal offense involving government business, is listed by a federal or state agency as suspended, debarred, excluded, proposed for debarment or suspension, or is otherwise excluded from federal or state program participation, for the purpose of fulfilling its obligations under certain contracts with the federal and state governments.

#### Did you know that ...

any individual who is under federal exclusion or debarment cannot be employed by Highmark Health for work under its federal government contracts?

### Bidding on Government Contracts

When bidding on or negotiating federal or state contracts, Highmark Health Companies are subject to specific legal requirements. The Federal Procurement Integrity Act dictates certain business conduct for companies seeking to obtain work from the federal government. During the bidding process, we

may not offer to discuss employment or business opportunities at Highmark Health with agency procurement officials; offer or give gratuities or anything of value to any agency procurement official; or, seek to obtain any confidential information about the selection criteria before the contract is awarded.

Another federal law, the Truth in Negotiations Act, requires Highmark Health to certify cost and pricing data submitted to the government as “current, accurate, and complete.” It is Highmark Health’s policy to ensure that only accurate and complete information is provided to the government.

**Remember:** All Supplier and sourcing needs must be handled by Procurement.

## Procurement Compliance

Highmark Health Companies which are government contractors must adhere to a variety of government procurement laws and regulations such as prior notification and approval when amounts exceed certain dollar thresholds or when certain subcontracting requirements are met. Highmark Health must follow certain procedures to help ensure that we are paying the most appropriate costs for goods and services. In addition, Highmark Health must make sure that its contracts to procure goods and services for a government contract do not present actual, potential, or apparent conflicts of interest. To comply with the government’s diverse and complex procurement rules, Highmark Health’s procurement policies must be followed for all procurement activities. Procurement activities also must often be conducted on a competitive basis based on such factors as functionality, cost, quality, and any other relevant business factors.

With regard to fulfilling its obligations under its government contracts, Highmark Health will not knowingly enter into a contract with an entity that has been convicted of a criminal offense involving government business, listed by a federal agency as suspended, debarred, excluded, or proposed for debarment or suspension, or otherwise excluded from federal program participation.

## Making Claims, Statements, and Representations to the Government

Contracts and subcontracts on government projects often require Highmark Health to submit various certifications. These contracts usually contain clauses wherein Highmark Health is required to make affirmative representations about a variety of matters in addition to financial data, such as compliance with socioeconomic programs, contract specifications, environmental laws, and various procurement regulations. These certifications and representations are serious matters. Highmark Health relies upon the truthfulness and accuracy of the information it receives from its employees and covered personnel when it submits these certifications.

It is a violation of federal laws to knowingly make fraudulent claims or misleading statements to the government or to alter documents being processed in connection with claims against the government. A violation of these federal laws can lead to severe civil and criminal penalties against the individual and the company, and can lead, among other things, to sanction, debarment, or exclusion penalties.

It may also be a potential violation of federal law if an employee makes little or no effort to validate the truth and accuracy of his or her statements, representations, or claims, or otherwise acts in a reckless manner as to the truth even if the individual is unaware that the data or information is false, or deliberately avoids finding out whether the statements, representations, or claims are true or false.

Government officials rely on the accuracy of verbal and written statements of Highmark Health and its employees. These “statements” could include formal certifications, reports, or responses given during audits and even to conversations with government representatives. In every instance, it is the obligation of Highmark Health and all of its employees to provide accurate and complete statements to the government.

## **Allocating Appropriate Costs to Government Contracts**

A cost that is a legitimate business expenditure for Highmark Health may be considered an unallowable cost under our contracts with the federal government. Under some government contracts, the company must certify that our cost submission does not contain any unallowable costs.

We must charge all direct and indirect costs accurately to the appropriate contracts in accordance with the guidelines specified under the respective contract. Inflating time reporting or individual or department workload statistics is strictly prohibited as these statistics are often used as the basis to determine the cost allocation.

## **Gift Guidelines for Government Business**

Under no circumstance should we offer money, gifts, services, entertainment, or anything of value, directly or indirectly, to any government official or employee in connection with a government contract.

## **Hiring Former and Current Government Employees**

The federal government regulates the employment activities of current and former government employees in order to restrict a company from gaining an unfair competitive advantage by hiring a current or former government employee. The terms of these restrictions vary according to the employment status and function of the government employee and what the employee's role will be at Highmark Health. These restrictions can last for varying periods of time from one year to a lifetime.

It is Highmark Health's policy to comply with all laws concerning the recruitment and employment of former and current government employees, either as employees or consultants. Before entering into employment discussions or negotiations with former or current federal, state, or local government employees, legislators, or members of their immediate families, whether initiated by you or them, seek approval from Highmark Health Human Resources and the Highmark Health Law Department.

## **Mandatory Disclosure Requirement**

Contractor Business Ethics Compliance Program and Disclosure Requirements obligate federal contractors to disclose certain violations to the government. These provisions state that the agency suspension and debarment official may suspend or debar a contractor if it is determined that there was a knowing failure by a principal of the contractor to timely disclose to the government, in connection with the award, performance, or closeout of a contract or subcontract thereunder, credible evidence of (a) a violation of federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations in Title 18 of the U.S. Code; (b) a violation of the civil False Claims Act; or (c) significant overpayments on the contract.

As federal government contractors, certain Highmark Health subsidiaries are obligated to timely disclose to the government, in writing, information regarding credible evidence of the conduct described above. For the purpose of this disclosure requirement, the term "principal" means an officer, member of the Board of Directors, owner, partner, or a person having primary management or supervisory responsibilities within a business entity (e.g., a general manager, head of a subsidiary, division, or business segment and similar positions).

Prompt disclosure of all known facts and circumstances is to be made to the Integrity and Compliance Department to enable Highmark Health to properly assess such information and to determine whether it has an obligation to further investigate and/or make a disclosure to the government.

## **Marketing and Advertising Activities**

Highmark Health's health insurance business is engaged in the marketing and sale of various health insurance products including Medicare Advantage and Prescription Drug plans. The Centers for Medicare and Medicaid Services (CMS) imposes certain requirements related to the enrollment of Medicare beneficiaries in Medicare Advantage and Prescription Drug plans. In addition, (CMS) strictly

regulates the marketing of these plans to beneficiaries. CMS requirements, applicable federal and state laws must be adhered to at all times.

## GUIDEPOST 6- MAINTAINING A SAFE RESPECTFUL AND DIGNIFIED WORKING ENVIRONMENT

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One of the guiding principles of our company is to provide equal employment to qualified individuals regardless of their race, age, sex, religion, national origin, ancestry, creed, sexual orientation, mental or physical disability, veteran status, or any other status or condition protected by law. Differences in backgrounds that each individual brings to Highmark Health are to be respected, as it is those differences that bring value and diversity to the company. We are expected to treat all people we encounter with professional respect and courtesy, regardless of their position, age, race, sex, disability, or other differences and we should expect the same level of respect in return whether they are our co-workers, customers, or suppliers.

### **Diversity and Inclusion**

Highmark Health is committed to diversity and the creation of an inclusive work environment where everyone is valued for both their similarities and their differences. Highmark Health respects the unique attributes and diverse thinking of each employee, and recognizes and embraces the many diverse perspectives and life experiences that each individual brings to the workplace. A diverse and inclusive workforce ensures Highmark Health's capacity to serve all communities and to reach new and emerging markets.

### **Equal Employment Opportunity**

Current and prospective employees can be assured that our work environment promotes fairness and equal opportunity in the employment process. Equal opportunity is provided in all aspects of the employment relationship, including recruitment, hiring, work assignment, promotion, transfer, termination of employment, wage and salary administration, and selection for training.

### **Employees/Applicants with Disabilities**

Our company provides a work environment that helps prevent discrimination against qualified individuals with disabilities with respect to any offer, condition, or privilege of employment. Applicants and employees are assured that all information regarding a disability will be kept confidential.

### **Harassment-Free Work Environment**

All Highmark Health employees and visitors must be treated with professional respect and courtesy. Harassment, which may be of a sexual, physical, written, or verbal nature, will not be tolerated from employees, management personnel, co-workers, customers, outside business invitees, or visitors.

## Safe and Healthy Environment

We have the right to a safe and healthy work environment, free of illegal drugs, alcohol, and workplace violence. Highmark Health will not tolerate actions or threats by anyone who disrupts business activities or places customers, employees, suppliers, or visitors at risk of harm. Possession of weapons, firearms, firearm ammunition, firearm replica or firearm components on owned or leased company property, regardless of whether the employee possesses a license to carry a concealed weapon, is prohibited. If you have a concern for your own or someone else's safety, please contact the Security Department.

### SAFETY FIRST

I overheard a co-worker make a threatening remark about another employee. This is not the first time. I am afraid that someday they will act upon the threat. What should I do?

Notify your supervisor or manager, Human Resources, Security, or to Integrity and Compliance.

Workplace safety also extends to our physical work environment. It is, therefore, important that you identify and promptly report any condition that could create a physical hazard in your area to the Security Department.

## Sustainability

Our commitment to a healthy environment extends beyond the walls of our buildings. At Highmark Health, we know that creating a healthy environment helps to create healthier people. We are committed to being responsible corporate citizens by being active in the communities where we do business. We strive to make our communities stronger and healthier places to live through employee volunteerism, corporate philanthropy, and eco-friendly business practices to protect the environment.

# CONCLUSION

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## What is Expected of You?

This Code is intended to provide guidance on how you can support Highmark Health's commitment to integrity and a strong business culture. You play a vital role in Highmark Health's success, regardless of your job responsibilities or position within the Company. If you detect a problem or suspect someone is acting inappropriately, help us maintain our values and culture by reporting it immediately.

## Amending the Code

Highmark Health reserves the right to modify the Code at any time when determined necessary. The most current version of the Code is always available on Highmark Health's websites.



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