SecurityHealth Plan℠
Promises kept, plain and simple.®

Standards of conduct

It is the policy of Security Health Plan that all its business be conducted honestly, ethically and with integrity. Security Health Plan's relationships with members, hospitals, clinics, health care providers, suppliers, First Tier, Downstream and Related Entities (FDRs), contractors, agents, regulators, and all others must reflect these high standards of excellence and professionalism. Security Health Plan has built these strong relationships by earning trust, providing outstanding service, and keeping our commitment to ethical and lawful conduct.

Security Health Plan employees, board members, agents and contracted entities have a responsibility to perform their duties in accordance with our high standards, company policies and core values. No one should take any action or enter into any relationship which is contrary to Security Health Plan's basic principles. Each person should exercise the utmost good faith in all transactions and activities. Everyone is accountable for understanding and complying with the standards of conduct and for reporting any possible violations.

While these standards of conduct cannot address every specific circumstance, they highlight Security Health Plan's basic principles of good judgment, honesty, business ethics and regulatory compliance. These standards will assist in guiding how we conduct our business and interact with other individuals or organizations. The key to upholding these standards is through the daily decisions and actions of all of us. Your strong commitment to ethics is the foundation of our mutually-beneficial business relationship.

Important phone number for reporting violations

It is the expectation that everyone will read, understand and be accountable for following these standards of conduct. These standards will help provide guidance if there is a question or concern about a particular behavior, practice or activity. Even if you are unsure about the right course of action to take, you should still report the incident. Security Health Plan strictly prohibits retaliation against any health care provider, vendor or related entity who, in good faith, reports an actual or possible violation of ethical standards. To report instances in which you believe Security Health Plan's standards of conduct are not being upheld, contact the Security Health Plan Compliance Hotline at **715-221-9570** or toll free at **1-855-274-5540**, or via email at **securityhealthplan.compliance@securityhealth.org.**

You can report your concerns 24 hours a day, 7 days a week. Calls may be made anonymously. If you choose to remain anonymous, you are encouraged to provide enough information regarding the potential violation to allow Security Health Plan to review the situation and respond appropriately. Security Health Plan may alter or terminate business relationships as a result of a violation of Security Health Plan's standards of conduct. No business partner will suffer any penalty or retribution for reporting in good faith any suspected misconduct or noncompliance.



Core values

Security Health Plan expects that we conduct our business governed by the highest ethical standards, good judgment and consideration of others. We require our FDRs, which include health care providers, pharmacies, delegated agents, delegated entities, suppliers, vendors and related entities conducting business with and on behalf of Security Health Plan to also have high ethical standards in which to perform business.

The standards of conduct provide the guiding principles for the Security Health Plan Compliance Awareness Training for FDRs, and incorporates Security Health Plan policies related to matters of vendor ethics, business conduct and compliance with legal and regulatory requirements.

All FDRs must adhere to the Security Health Plan's guiding principles and core values by either adopting them, or demonstrating existing internal policies that meet the requirements. All FDRs are required to attest to compliance with this policy

Security Health Plan has developed the following core values in conjunction with our high ethical daily business practices. The word "customer" includes: members, providers, agents, vendors, co-workers, community members and employer groups.

Security Health Plan core values include:

- **Honesty:** Act fairly and honestly with those affected by your actions. Treat them as you would expect them to treat you if the situation were reversed.
- **Compliance with laws:** Comply not only with applicable laws and regulations, but also with the spirit of the law or regulation. Act in such a manner that the full disclosure of all facts related to any activity would reflect favorably upon your organization or you.
- **Business responsibility and you:** Adhere to the highest ethical standards of conduct in all business activities. Act in a manner which enhances your organization's and Security Health Plan's standing as a corporate citizen and ethical competitor within the business community. Pursue no business opportunity that would violate these principles.

- **Responsibility for reporting violations:** You are responsible for reporting suspected ethical violations in your dealings with other entities and Security Health Plan. We promote relationships based on mutual trust and respect and provide an environment in which health care providers, vendors and related entities may question a company practice without fear of adverse consequences.
- **Integrity:** Do the right thing at the right time for the right reason. Conduct business according to the highest ethical standards. Accept responsibility for actions and follow through on commitments. Create and foster an open, honest and positive environment, and do not criticize, place blame on colleagues, departments or an organization.
- **Customer focus:** Anticipate, understand and satisfy our customers' needs. Make customers the top priority. Take initiative and go beyond what is expected by delivering solutions with high quality and value.
- **Teamwork:** Work together to create a positive environment to achieve goals. Support, encourage and praise contributions of each other and understand and value the personality, learning and communication style of those we interact with. Be accountable and promote collaboration.
- **Respect:** Value the needs, feelings and ideas of each other. Treat people with courtesy, politeness and kindness. Affirm the value of each person by not using inappropriate humor or negative comments. Recognize and appreciate the contributions of each individual by promoting a culture of tolerance and acceptance.
- **Communication:** Promote a mutual exchange of information that is consistent, open, honest and timely. Communicate appropriate messages through your actions, expressions and body language. Communicate accurately through verbal and written documentation and document appropriately. Be assertive and respectful in protecting the privacy of our customers. Listen and respond with genuine concern to the needs of our customers.



Ethical violations

Ethical violations include, but are not limited to:

- Violations of laws or policies
- Dishonest or unethical behavior
- Conflicts of interest
- Fraud
- Questionable accounting and internal controls
- Criminal misconduct
- Any suspicious activity

This list is intended to be a guide to ethical behavior and not a comprehensive set of rules. Your organization should have its own set of business ethics requirements related to the type of business it performs, including a formal program for ethics compliance and ongoing training. Security Health Plan's standards of conduct is not intended to constitute legal advice and should not be relied upon or used as a substitute for consultation with your own legal advisors.



Security Health Plan promptly investigates any reported potential ethical violation. All reported issues are treated confidentially. You are expected to cooperate fully in any investigation of an alleged violation. Upon discovery any potential violations, FDRs are expected to report the incident to Security Health Plan.

All FDRs should do what is permissible, acceptable and expected. That means using common sense, good judgment and proper behavior. Ethical violations could compromise Security Health Plan's integrity and reputation, and may result in termination of your contract, and based on the violation may require reporting to the appropriate authorities. It is expected that FDRs will take appropriate disciplinary actions for those employees, representatives and subcontractors found to be in violation, up to and including termination of contract or employment.

Security Health Plan assumes the responsibility to report Medicare program noncompliance, violations of law, criminal misconduct and fraud, waste and abuse to the Centers for Medicare and Medicaid Services (CMS), CMS designee, other regulatory agencies and/or law enforcement, as applicable, for any violations related to Security Health Plan.



Conflicts of interest

All FDRs and their employees, representatives and subcontractors supporting Security Health Plan business are required to avoid conflicts of interest. Security Health Plan associates must not engage in activities that compete with any of Security Health Plan's lines of business. Health care providers, vendors and related entities must be sensitive to these relationships and avoid creating situations that encourage a Security Health Plan associate to violate these policies.

No FDR or contracted business associate should ever offer, or provide directly or indirectly, anything of value, such as cash, bribes or kickbacks, to any Security Health Plan employee, representative or government official in connection with any Security Health Plan procurement, transaction or business dealing. This also applies to their family members or significant others.

Security Health Plan contracted business associates and FDRs are required to obtain a conflict of interest statement from all employees and representatives upon hire and annually thereafter. This statement certifies that the employee or representative is free from any conflict of interest for administering or delivering Medicare benefits or services. Security Health Plan reserves the right to obtain certifications from all providers, vendors and related entities to verify that entities and their employees and representatives are free from conflicts of interest.

Integrity of company information

Security Health Plan is committed to providing accurate and truthful information in any transaction. This commitment is reinforced by internal controls and procedures developed so any report and record of any type is accurate and reliable. This includes a system of internal accounting controls designed to maintain the integrity and reliability of our financial reporting to the Securities and Exchange Commission, the Office of the Commissioner of Insurance and other regulatory agencies. The internal controls are also designed to detect and prevent illegal activities in compliance with the Foreign Corrupt Practices Act.

Security Health Plan's financial reporting system also provides assurance to regulatory agencies, stockholders, the board of directors and management that our assets are safeguarded and transactions are executed and recorded properly in accordance with appropriate authorization.

Security Health Plan's Board of Directors has an audit committee composed solely of independent outside directors. The audit committee meets periodically with management and the internal and external auditors to oversee the company's financial reporting processes. FDRs and contracted business associates are expected to have policies and procedures in place to affirm the integrity of their organizational information. If asked, FDRs have an obligation to provide accurate and complete information to auditors about the status of financial, operational and compliance risks and controls related to their business with Security Health Plan. FDRs who believe they have been asked to withhold information from auditors should immediately call the Security Health Plan compliance hotline at **1-855-274-5540.**

Health Insurance Portability and Accountability Act of 1996 (HIPAA)

Security Health Plan collects our members' medical history, social security numbers, enrollment and eligibility information, and other personally identifiable information that is considered protected health information (PHI). It is the policy of Security Health Plan to comply with HIPAA Administrative Simplification Statute and rules, and privacy, security and breach notification rules to protect this information. In following the HIPAA privacy regulations, Security Health Plan does not use, disclose or discuss member-specific information with others unless it is necessary for treatment, payment or health care operations, or as required by law. All FDRs and contracted business associates have the responsibility to comply with all HIPAA rules.

All PHI must be safeguarded to prevent inappropriate disclosure and unwarranted invasion of the privacy rights of our members and contracted entities. FDRs must retain all information belonging to Security Health Plan in strictest confidence and neither use it nor disclose it to a third party, other than its employees on a need-to-know basis, without the explicit written permission of Security Health Plan. Unauthorized disclosure of, or access to, confidential or proprietary information may result in termination of the contract, and also may result in civil and criminal penalties. FDRs are required to sign a business associate agreement which outlines the requirements and expectations for safeguarding confidential information. Security Health Plan's confidential information includes, among other things:

- Internal business practices and records.
- Network, electronic and media software and hardware.
- Information concerning members, providers, products, pricing.
- Security Health Plan customers and health information.
- Financial information about Security Health Plan contracts.

Contracting with the government

As a government contractor, Security Health Plan complies with various federal and state laws, which impose stringent requirements. It is essential that there be strict compliance with all laws and regulations in transacting business with the government. The terms of contracts with the government require explicit compliance. FDRs and contracted business associates who deal with government officials and contracts are responsible for knowing and complying with applicable laws and regulations.

Security Health Plan must be informed of all notifications of a violation or citations alleging a violation from a governmental regulatory agency. The person receiving the notification should report the violation or citation to Security Health Plan's Compliance Department. This notification requirement also applies to FDRs if a violation occurs that involves Security Health Plan business.

FDRs and their employees, representatives and subcontractors must never:

- Destroy or alter any document or record in anticipation of a request for the document or record by a government agency or court.
- Lie or make false or misleading statements to any government investigator.
- Persuade any employee or any other person, to provide false or misleading information to a government investigator.



Ineligible FDRs

As a health care company, Security Health Plan is subject to strict governmental regulation and oversight. Various regulatory agencies require Security Health Plan to refrain from contracting with FDRs and their employees, representatives and subcontractors who have engaged in certain types of activities.

FDRs and their employees, representatives and subcontractors will be ineligible for any contractual relationship if they have been or are:

- Convicted of a criminal offense related to health care.
- Listed as debarred, excluded or otherwise ineligible for participation in federal health care program.
- Identified and listed on the Office of the Inspector General (OIG) Exclusion List.

The exclusion lists are checked upon initial engagement and monthly thereafter. Security Health Plan reserves the right to obtain attestations from all FDRs to verify the FDR and their employees, representatives and subcontractors are not on any exclusion lists. In addition, FDRs must notify Security Health Plan if any of their employees, representatives or subcontractors has been excluded from any federal program.

Anti-kickback laws

All Security Health Plan business arrangements are in writing and comply with all laws, rules, regulations and policies. Security Health Plan policy and federal regulations state that no gratuities (in the form of entertainment, gifts or anything else of value), or kickbacks shall be offered or given to any employee of the government. Federal anti-kickback laws prohibit paying for meals, refreshments, travel or lodging for government employees, except nominal refreshments when the government employee is conducting an audit or other official business. Payment other than nominal refreshments during audits or other official business could be perceived as an attempt to influence a government employee to give Security Health Plan or the FDR a business advantage.

Federal Medicare and Medicaid specific laws prohibit knowingly offering, paying, soliciting or receiving remuneration of any kind to induce the referral of business under a federal program. Gifts may not be offered to business associates to gain unfair advantage with vendors, suppliers, health care providers or members. Security Health Plan prohibits accepting any gratuity that reasonably could be perceived as constituting a bribe or other unfair business practice.

Security Health Plan will not accept, make, approve or allow any FDR to:

- Provide a bribe or the promise of an improper or illegal benefit.
- Pay for any illegal activity.
- Use property or resources that create a conflict of interest or are against applicable laws or regulations.

Violators are subject to imprisonment, high fines, exclusion from Medicare and Medicaid and government contracts, costly civil penalties and possible prosecution under similar state laws.

False Claims Act

The False Claims Act is a federal statute that deals with any federally-funded contract or program, including Medicare or Medicaid, regarding fraudulent activities. These laws were enacted to prohibit knowing submission of false or fraudulent claims to the government. Security Health Plan complies with this law and has policies to detect, report and prevent fraud, waste and abuse. Liability for any person or company who knowingly submits or causes to be submitted a false or fraudulent claim (any request or demand for money) to the U.S. government is documented in the False Claims Act.



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