



CommuniCare
FAMILY OF COMPANIES

CODE OF CONDUCT



Serving with Pride.

A Statement from the CEO



To All CommuniCare Employees and Affiliates:

Dear Friends,

Each one of us has a core of beliefs that makes us uniquely who we are. This belief system is our guide for what is right and wrong. Through the years we've discovered that we all have certain beliefs in common, for example honesty, getting and giving respect, cooperation, etc. We all want others to be honest with us, give us respect and treat us like the valuable and important people we are. Unfortunately, in the heat of the battle it's easy to forget that those things we value with respect to how we want others to behave to us are exactly the same things that we must do to others. As a wise man once said, "Do not do unto others that which is hateful to yourself."

The enclosed "Code of Conduct" sets forth our belief system, our core values and the way we want and expect all workers affiliated with the CommuniCare Family of Companies to behave. It starts with me and ends with you. It's important to me personally as well as being the backbone of our success. We ask you to hold them dear as well, make them your own and behave in a fashion that brings honor and respect to yourself and our company. I thank you for being who you are and working so hard to ensure our residents/patients are well cared for.

Sincerely,

Stephen L. Rosedale
CEO

Mission, Values, Vision

The Code of Conduct is a vital part of how we achieve our mission and vision. As an organization, we define ourselves by our values. The Code helps us make decisions that support those values.

Mission – Why we are here.

CommuniCare's mission is to promote the well-being of our residents, enrich their existence, and uphold the sanctity of life.

Core Values— What we believe in.



HEART

Honesty – Honesty is the foundation for all our principles, policies, and actions.

Excellence – We strive to base all decisions and actions on our company philosophy of creating a superior customer service experience.

Accountability – We take ownership of not only our jobs, but also the customer experience. We do what it takes to make it right.

Respect – We treat and respect others as we would like to be treated and valued.

Teamwork – We promote common goals and teamwork by helping others.

Standards of Excellence

We strive to be the leaders in delivering a superior customer experience to each and every one of our customers, focusing on our True Blue Standards of Excellence.

We have identified five key areas that constitute the greatest impact:

- Clinical Experience
- Service Excellence
- Culinary Excellence
- Environmental Excellence
- Satisfaction Excellence

Working S.M.A.R.T.

Stand by our policies, procedures, and Code of Conduct.

Make sure you stay educated and know the boundaries of your role – everyone is responsible for compliance.

Ask questions if you are not sure.

Remember, if you have concerns, tell your supervisor, HR, or call our ActionLine and know that you are protected from retaliation.

Take care to always do the right thing.



Purpose of our Code of Conduct

CommuniCare Family of Companies' is committed to maintaining the highest professional and ethical standards. We all must follow this Code and supporting CommuniCare policies. This Code informs us about what we must do (compliance) and what we should do (ethics). As an organization that is guided by ethics, we must all follow the organization's mission, vision, standards of excellence, and core values. This Code provides the standards by which we conduct daily business activities while caring for our residents.

We must each do our part to achieve and sustain these standards. All individuals are expected to maintain integrity in business conduct and avoid any activities that could harm a resident and family member, or the reputation of CommuniCare, its directors, or employees.

The standards described in this Code are covered in more detail in our policies, available on our internal electronic document databases. This Code is subject to change and may be updated periodically to respond to changing conditions and to reflect changes in the law. You will be provided any updates should they occur.



Pledge of Commitment

We are dedicated to delivering the highest quality health care and a superior customer service experience in accordance with this Code. We are guided by the following principles and affirm our unwavering commitments:

- **To Our Residents** - We treat our residents with respect and dignity and provide the highest quality health care services in a professional, compassionate, courteous and cost-effective manner, compliant with laws and regulations.
- **To Our Employees** - We provide a work environment that is characterized by open and honest communication, respect, fairness, pride and camaraderie, professional ethics and integrity, and opportunities for professional growth and development.
- **To Our Executive Leadership and other Business Partners** - We follow high standards of professional and ethical management by providing strong leadership to pursue strategies that meet the mission, values, and vision of the organization. We perform our responsibilities in a manner that reflects the terms of our affiliation and a spirit of mutual cooperation to meet residents' needs.
- **To Our Third-Party Payors** - We work with our third-party payors in a way that demonstrates our commitment to contractual obligations and compliance with laws and regulations, and that reflects our shared goal of providing quality health care in an efficient and cost-effective manner.
- **To Our Regulators** - We provide an environment in which compliance with rules, regulations (including the federal health care program requirements), ethical business practices and our Code of Conduct is woven into the corporate culture. We accept the responsibility to diligently self-govern and monitor adherence to the requirements of applicable laws and to our Code.
- **To Our Vendors** - We support fair competition among prospective vendor and act in an ethical manner in selecting and maintaining our business relationships. We manage our vendor relationships in a fair and reasonable manner.

For Employees and Contractors

As a member of the CommuniCare team, you must follow and support the mandatory standards set forth in this Code. Therefore, please keep this Code for future reference. We comply with the requirements of federal health care programs. Employees who disregard the principles of this Code will be subject to appropriate disciplinary actions.

In addition, if an individual or the organization fails to comply with such requirements and policies, civil or criminal penalties or possible exclusion from the federal health care programs may result. If you have any questions or uncertainty regarding these standards, it is your responsibility and obligation to seek guidance from a management team member, your facility's Compliance Officer (the Executive Director), or the Chief Compliance Officer. The Code is a critical component of our Compliance Program. The standards apply to all of us. It is your responsibility to:

- Read the Code and understand how it applies to you
- Refer to the Code and CommuniCare Policies to guide your daily work activities
- Ask questions or report concerns
- Complete annual training
- Certify your commitment to the Code

For Leadership

While all CommuniCare employees follow this Code, our management team sets the example and acts as a role model. Our managers help their team members understand what is expected of them under the Code and other applicable laws, regulations, and policies. Managers create an environment that promotes the highest standard of ethics and compliance. Managers maintain an open-door policy and encourage employees to raise concerns, while ensuring that no one who reports a concern in good faith is subject to retaliation. Managers must take prompt, appropriate action when a potential violation of law or CommuniCare policy arises. A member of management should seek assistance from the Chief Compliance Officer in addressing questions or concerns.

Transparency is an important aspect of the CommuniCare culture. We communicate with each other and the public in an open and honest manner. Our decisions must stand up to scrutiny and be understood by others. We support our values by promoting a culture of transparency.



Commitment to Quality Care

Quality Care and Resident Rights

Our primary mission is to provide quality health care services to all of our residents in a safe, healing environment we refer to as “caring communities.” We treat all residents with respect and dignity and provide care that is both necessary and appropriate. We do not discriminate based on race, color, religion, sex, age, national origin, disability, genetic information, sexual orientation, source of payment for care, or any other characteristic protected by law. We respect the diverse backgrounds and cultures of our residents and make every effort to equip our caregivers with the knowledge and resources to respect each resident’s cultural heritage and needs.

While we strive to render care that is cost-effective, clinical care decisions are not based on resident financial means or business economics. No matter what our role at CommuniCare, we all play a part in ensuring that quality resident care is at the core of everything we do and every decision we make. The commitment to quality of care is everyone’s responsibility.

Each resident receives a Resident Rights Statement and a Notice of Privacy Practices. These statements explain the right of residents to make decisions regarding their medical care, the right to refuse or accept treatment, the right to informed decision making, and the right to privacy of their health information maintained by CommuniCare. These statements conform to applicable state and federal laws, including the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH).

At CommuniCare, we provide an environment where residents make informed decisions concerning their care. Each resident or resident representative receives a clear explanation of the care plan. Residents receive care from appropriately licensed and credentialed professionals. Additionally, we inform residents of their right to make advance directives and honor those advance directives or wishes regarding resuscitation within the limits of the law and the organization’s capabilities.

Residents and their representatives will be given appropriate confidentiality, privacy, and opportunity for resolution of complaints.

Confidentiality of Resident Information

HIPAA and HITECH create standards for maintaining the privacy and security of residents' protected health information (PHI). Consistent with HIPAA, we only use, disclose or discuss resident specific information with others when it is necessary for treatment, payment, health care operations purposes, or when such disclosure is authorized by the resident or is required or authorized by law. We protect the confidentiality of PHI, whether that information is in oral, written or electronic form. CommuniCare maintains and safeguards both paper and electronic medical and financial records to ensure that PHI is not shared with anyone inappropriately.

Additionally, we require business partners who may receive protected resident information to safeguard it through a written HIPAA compliant Business Associate Agreement. CommuniCare employees, workforce members, physicians, and third-party business associates access only the information necessary to do their job. Only individuals who require resident information to provide care, perform quality control activities, bill or collect payments for services, or perform other administrative services are permitted access to PHI unless otherwise authorized by law or the resident.

Security of Resident Information

Because so much of CommuniCare's clinical information is created and stored in our numerous electronic systems, it is essential that each CommuniCare team member review and follow the information technology policies and procedures. As required by HIPAA and HITECH, CommuniCare has implemented safeguards to maintain the confidentiality and integrity of resident information. CommuniCare's information technology standards are designed to protect electronic systems, and the information contained in them.

These standards apply to all CommuniCare electronic systems containing resident and business information including workstations, devices and terminals; networks and servers and their supporting infrastructure; software and applications (such as email); and databases and storage devices.

CommuniCare also has information technology standards for employees' personal devices that contain CommuniCare information for a legitimate business purpose (such as a personal cell phone containing an employee's CommuniCare email).

Commitment to Quality Care *(cont.)*

Any CommuniCare employee who knows or suspects confidential information to have been compromised must report the potential security concern to their Compliance Officer, the Chief Privacy Officer, the Vice President of Information Technology, or the Compliance ActionLine.

Our residents trust us with their confidential medical and financial information. All CommuniCare team members have a role to play in following CommuniCare's privacy and information technology policies and maintaining the confidentiality of PHI.



It is your responsibility to:

- Only access information needed to do your job
- Keep passwords confidential and not share them with others
- Secure mobile devices, such as laptops, flash drives, external hard drives and personal devices (cell phones and tablets) that contain PHI or confidential CommuniCare information
- Not post passwords on a computer monitor or your name badge
- Report any lost or stolen patient information or potential security concern immediately to the Chief Privacy/ Security Officer by calling the **Compliance ActionLine at 1-800-238-1770**

Compliance Program

Program Structure

The CommuniCare Compliance Program is structured in alignment with the OIG's Seven Elements of an Effective Compliance Program and demonstrates the absolute commitment of the organization to the highest standards of ethics and legal compliance.

7 Elements of an Effective Compliance Program

1. Written policies, procedures, and standards of conduct
2. Designated Compliance Officer and Compliance Committee
3. Education and training
4. Open lines of communication
5. Audit and monitoring
6. Consistent Discipline
7. Responding to violations and corrective action

The Office of Ethics and Business Conduct, along with the Corporate Governance and Compliance Committee, provide direction, guidance and oversight in creating the standards set forth in this Code. Each CommuniCare caring community has a Compliance

Officer (also known as the Executive Director) who plays a key role in implementing the Compliance and Ethics Program by communicating program standards, ensuring that training is conducted, and generally by providing oversight of the program at the community. Each CommuniCare community has a Compliance Committee to assist in the implementation and operation of the program.

Your Human Resources ("HR") representative is another important resource who can address issues arising out of this Code of Conduct. Your HR representative is knowledgeable about many of the compliance risk areas described in this Code that pertain to employment and the workplace. Human Resources representatives often assist in investigating and resolving workplace conduct and employment practice issues. In the event you prefer to report a concern anonymously, the third-party **Compliance ActionLine** is available to you 24/7 by calling **1-800-238-1770** or visiting **communicareactionline.ethicspoint.com**.

Personal Responsibility to Report without Fear of Retaliation

We are committed to ethical and legal conduct that is compliant with all relevant laws and regulations. Each team member has a responsibility to report any activity or concern that appears to violate applicable laws, regulations, or CommuniCare's Code of Conduct and policies. We are committed to providing an environment that allows reporting

Compliance Program (cont.)

in good faith without fear of retaliation. When someone raises a good faith concern, we prohibit retaliation against that person. If you feel that you have experienced retaliation, immediately report it to your manager or to your Compliance Officer. You may also report concerns anonymously by contacting the Compliance ActionLine.

To report a compliance concern or ask a question, it is your responsibility to contact one of these resources:

- Your manager or supervisor
- Your human resources representative—for issues involving employment matters
- Your compliance officer—or the chief compliance officer is also available to assist you
- The Compliance ActionLine: 1-800-238-1770 or communicareactionline.ethicspoint.com

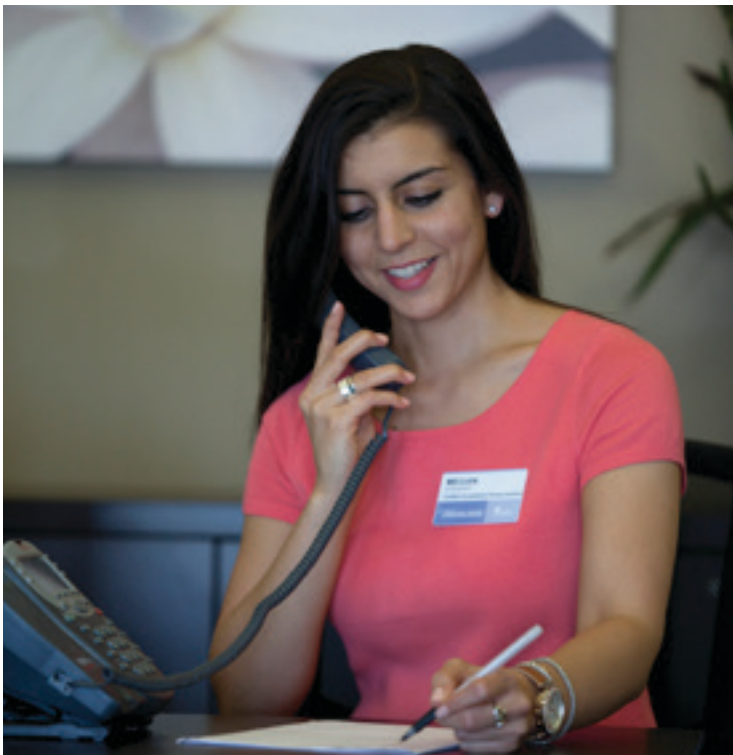
Compliance ActionLine—Our Anonymous Compliance Hotline

You may contact the Compliance ActionLine (1-800-238-1770) to report violations or suspected violations of the law, CommuniCare policy, or the Code of Conduct. You may also ask questions or report potential compliance concerns. It is staffed by a third-party, independent of CommuniCare. Your call will not be traced or recorded, and your anonymity will be protected to the extent allowable by law if you wish to remain anonymous.

Education and Training Programs

CommuniCare provides education and training programs to ensure that all employees understand the Code of Conduct and compliance program elements. All team members are responsible for completing Compliance training related to our Compliance Program, our Code of Conduct, Privacy and Security, and Fraud Waste and Abuse upon hire and annually, at a minimum. Certain individuals take additional compliance training in high-risk areas including, but not limited to, documentation, coding, billing, and sales and marketing.

Each CommuniCare team member is responsible for compliance with the Code of Conduct and the Compliance Program. When in doubt, you should seek guidance from supervisors and the Legal Department's Office of Ethics and Business Conduct.



Compliance Program (cont.)

Measuring Program Effectiveness

We are committed to ongoing risk assessment and assessment of the effectiveness of our Compliance Program through various efforts. CommuniCare routinely conducts internal audits, including compliance related audits that are conducted with input and oversight from the Chief Compliance Officer/ Compliance Counsel, if needed. Such audits evaluate the organization's compliance with laws, regulations and CommuniCare policy.

Internal Investigations

CommuniCare investigates all reported compliance concerns promptly as well as confidentially to the extent possible.

Corrective Action

When an internal investigation determines that a violation of the law, CommuniCare policy, or the Code of Conduct has occurred, the organization will initiate appropriate and consistent corrective action. Corrective action may include, but is not limited to, making prompt restitution of any overpayment amounts, notifying the appropriate governmental agency, instituting whatever disciplinary action is necessary, and implementing systemic changes to prevent a similar violation from occurring in the future.

Discipline

Anyone who fails to comply with the Code of Conduct will be subject to disciplinary action. Appropriate disciplinary measures will be determined on a case-by-case basis, depending upon the nature, severity and frequency of the violation, up to and including employee suspension or termination, if necessary. Such actions will be determined in accordance with the CommuniCare policy on progressive discipline. In addition, team members who have engaged in criminal activity may be reported to appropriate law enforcement authorities.

Acknowledgment Requirement

All team members are required to sign a certification statement confirming they have read the Code of Conduct and agree to follow its standards as well as CommuniCare policies and practices. Team members will be provided training on the Code of Conduct upon hire and annually thereafter and will be required to confirm that they will cooperate with and participate in compliance-related activities and training.

Fraud, Waste, and Abuse, Anti-Kickback, and Anti-Self-Referral (Stark) Laws

CommuniCare is subject to numerous federal and state laws regulating practices and relationships within the health care industry. Included among these are laws designed to prevent fraud, waste, and abuse in the submission of claims, the making of patient referrals, and the acceptance of remuneration for services provided.



CommuniCare is committed to compliance with all applicable laws and the prevention of illegal or improper acts in the delivery of services. To that end, specific compliance standards have been adopted.

Deficit Reduction Act of 2005 (DRA)

In compliance with the Social Security Act, CommuniCare provides detailed information to all of its team members on the False Claims Act, federal administrative remedies for false claims, and whistleblower protections contained in such statutes. CommuniCare requires all team members to report suspicions of fraud, waste, or abuse and educates all of its employees to enable them to detect, prevent, and report suspected incidents of fraud, waste, and abuse. CommuniCare prohibits any employee or agent from intentionally or recklessly submitting a claim, which includes fraudulent information or is based on fraudulent documentation to any federally funded or state funded program for payment approval.

Federal False Claims Act

The Role of Federal Laws in Preventing Fraud, Waste, and Abuse: The Centers for Medicare and Medicaid Services (CMS) define “fraud” as an intentional deception or misrepresentation that an individual knows or should know to be false, or does not believe to be true, and which the individual makes knowing that the deception or misrepresentation could result in an unauthorized benefit to himself or others. Fraud occurs when an individual or entity purposely bills for a service that was never provided or for a service that has higher reimbursement than the actual service produced. CMS defines “abuse” as a range of improper behaviors or billing practices, including (a) billing for a non-covered service; (b) misusing codes on the claim; or (c) inappropriately allocating costs on a cost report.

The False Claims Act (the “Act”) imposes civil liability on any person who commits fraudulent acts including, without limitation, one who (a) knowingly presents, or causes to be presented, a false or fraudulent claim, record or statement for payment or approval; (b) conspires to defraud the government by getting a false or fraudulent claim allowed or paid; (c) uses a false record or statement to avoid or decrease an obligation to pay the government. The term “knowingly” is broadly defined within the False Claims Act to mean (a) having actual knowledge that the information on the claim is false; (b) acting in deliberate ignorance of whether the claim is true or false; (c) acting in reckless disregard of whether the claim is true or false.

For each violation of the False Claims Act, a person or entity may be subject to civil monetary fines equal to the sum of (a) between \$5,000 and \$11,000, plus (b) three times the amount paid for each false claim, plus (c) the costs of any civil action brought to recover such penalties or damages. In addition, such violations can subject a person to exclusion from participation in federally funded health care programs, such as Medicare and Medicaid.

The Act is enforced by the Attorney General of the United States, who is required to investigate violations of the Act. The Act also permits private persons to bring suit on behalf of the United States and entitles the private persons bringing suit to receive a percentage of monies obtained through settlements, penalties and/or fines collected in such action. Actions brought by private persons or “relators” for violations of the Act are known as “qui tam” actions. If a qui tam action brought by a relator is frivolous or commenced in order to harass the defendant, the relator may be liable to pay the defendant’s fees and costs associated with such action.

Federal Whistleblower Protection

The Act protects from retaliatory actions by CommuniCare against a relator bringing a qui tam action and any other whistleblower who questions a perceived violation of the Act. The Act specifically provides that any employee who is discharged, demoted, suspended, threatened, harassed or in any manner discriminated against by his or her employer because of reporting violations of the Act will be entitled to reinstatement with seniority, double back pay, interest, special damages sustained as a result of discriminatory treatment, and attorney's fees and costs.

Program Fraud Civil Remedies Act of 1986

The Program Fraud Civil Remedies Act (PFCRA) provides for the imposition of administrative remedies on any person who makes, presents, or submits (or causes to be made, presented, or submitted) to certain federal agencies a claim or statement that the maker knows or has reason to know (a) is false, fictitious or fraudulent; or (b) includes or is supported by any written statement which asserts a material fact which is false, fictitious or fraudulent; or (c) includes or is supported by any written statement which omits a material fact, is false, fictitious or fraudulent because of the omission and is a statement in which the person or entity has a duty to include such material fact; or (d) is for the provision of items or services which the person or entity has not provided as claimed.

The PFCRA authorized the imposition of federal administrative charges. It imposes on any person, who submits, or causes to be submitted, a false

claim or a false statement a civil penalty of up to \$5,000 for each wrongfully filed statement or claim, regardless of whether property, services, or money is actually delivered or paid. If any payment is made, property is transferred, or services are provided in reliance on a false claim, the person submitting it is also subject to an assessment of not more than twice the amount of the false claim. This assessment is in lieu of damages sustained because of the false claim.

The Federal Anti-Kickback Statute

This statute makes it a criminal offense to knowingly and willfully offer, pay, solicit, or receive any remuneration, directly or indirectly, in return for referrals or to induce referrals, or to arrange for or recommend goods, facilities, services or items for which payment may be made under a federal health care program.

The federal Anti-Kickback statute has been expanded from Medicare, Medicaid, and certain state programs to include all federal health care programs. "Federal health care program" is broadly defined to include any plan or program that provides health benefits funded in whole or in part by the federal government, with the exception of federal employee health benefit programs.

This statute has been interpreted to cover arrangements where one purpose of the remuneration is to induce referrals or other business paid for in whole or in part by a state or federal healthcare program, even though other legitimate business purposes may potentially exist. **It is significant to note that no actual referral or business need result in order for the AKS to be violated.**



The Anti-Self-Referral (Stark) Law

Under the Stark Law, a physician may not refer Medicare patients for certain designated health services (e.g., Therapy, Lab, X-Ray) to an entity with which the physician or an immediate family member has a financial relationship, unless an exception applies. An entity receiving a prohibited referral may not bill the Medicare program for services provided as the result of the tainted referral.

This law applies to physicians and physician arrangements only. It is important to note that Stark Law violations are a Civil offense. Action can be taken against individuals and entities even if they not intend to violate the Stark Law.

All physician relationships that involve exchange of money or other items and services should be evaluated & approved by the Legal Department.

Conflicts of Interest and Business Relationships

Conflicts of Interest

In our work, we have a duty to put the interests of CommuniCare before our own. The term “conflict of interest” refers to situations in which financial or other personal considerations may compromise, or have the appearance of compromising, an individual’s ability to make objective decisions in the course of the individual’s CommuniCare job responsibilities.

We avoid conflicts of interest where someone might question whether we are acting for CommuniCare’s benefit or for personal gain. Because reports of conflicts based on appearances can undermine trust in ways that may not be adequately restored, even the appearance of a conflict may be as serious and potentially damaging as an actual conflict. For that reason, team members should avoid even the appearance of a conflict of interest.

Team members are expected to disclose all possible conflicts of interest involving themselves or their immediate family members (spouse, parents, brothers, sisters and children). If you believe a conflict of interest exists or if you have any question about whether an outside activity might constitute a conflict of interest, please contact the CommuniCare Office of Ethics and Business Conduct before pursuing the activity. You should refer to the CommuniCare guidance on conflicts of interest for more detailed requirements. We must disclose potential conflicts of interest and seek approval before pursuing the activity. By way of example, potential conflicts may include:

- Employment with a company that competes, contracts with or is a vendor of CommuniCare
- A financial or ownership interest in an entity that competes with CommuniCare
- Financial relationships that could appear to influence the independence of resident care decisions
- Using CommuniCare property, information, or resources for non-CommuniCare purposes
- Outside jobs or positions that conflict with or distract you from your work at CommuniCare
- Making business decisions that involve or could benefit family or friends
- Having a supervisory or reporting relationship to family or someone you are close to

Antitrust and Trade Regulations

It is CommuniCare policy to avoid any activities that unfairly or illegally reduce or eliminate competition, control process, allocate markets, or exclude competitors:

- All team members and contractors shall comply with the letter and spirit of all antitrust laws. No participant shall have any authority to engage in conduct that does not comply with this policy or to authorize, direct, approve, or condone such conduct by any other person.
- No employees or contractors shall enter into understandings or agreements (whether written or verbal) that could unfairly or illegally reduce or eliminate competition, control prices, allocate markets, or exclude competitors. This includes agreements or information sharing with other practices or carriers that affect prices, charges, profits, and services or supplier selection.
- Team members or contractors who negotiate or enter into contracts with competitors, potential competitors, contractors, or suppliers shall do so on a competitive basis considering such factors as price, quality, and service. This policy is especially important for employees or contractors having purchasing, planning, or marketing responsibilities.
- Team members or contractors who attend association or professional association meetings or who otherwise come into contact with competitors should avoid discussions at those meetings regarding pricing or other topics, which could be interpreted as collusion or cooperation between competitors.
- Any team member or contractor who suspects that a violation of the antitrust and trade regulation laws has occurred shall disclose that information to the Compliance ActionLine or the Legal Department.

Conflicts of Interest and Business Relationships *(cont.)*

General Policy Regarding Business Courtesies

We prohibit the exchange of anything of value in return for business, whether it is a patient referral or work with a particular vendor. The “something of value” does not have to be money. It can also be services, gifts, entertainment or anything else that has value to the recipient. We never offer, accept or give bribes or kickbacks. We never compensate anyone based on referrals. If you believe that someone has offered or received a bribe or kickback, or provided something of value in exchange for referrals or any other business, contact your supervisor or the Compliance ActionLine.

In addition, the best “thank you” any vendor can give us is to provide excellent service at a reasonable price. We do not want anyone to form the impression that we are using our position at CommuniCare for personal gain or that we cannot be objective. Our decisions should be based solely on what is best for CommuniCare and the residents we serve.



Business and Financial Records

Accurate Coding and Billing of Services

CommuniCare takes great care to comply with all applicable laws, rules, and regulations related to coding, billing, and claims submission. We prohibit any employee or workforce member from knowingly presenting claims for payment or approval that are false, fictitious, or fraudulent. CommuniCare is committed to full compliance with state and federal health care program requirements, including preparing and submitting accurate claims. We monitor and verify that claims are submitted accurately and appropriately.

We have coding and billing policies to support our commitment to comply with all applicable laws. This includes, but is not limited to:

- Billing only for services actually provided. We provide medically necessary services that are ordered by a physician or other appropriately licensed individual.
- Reviewing the medical record for timely, appropriate and legible documentation of all physician and other professional services prior to billing.
- Correcting errors prior to submitting a claim. If the claim has already submitted, we correct the underlying problem and make appropriate refunds.

Accuracy of Records and Reports

Each CommuniCare team member is responsible for the integrity and accuracy of our organization's documents and records to ensure that records are available to support our business practices and actions. No one may falsify information on any record or document. No one may make alterations to such information except in accordance with CommuniCare policy.

Medical records must be as accurate and complete as possible. A properly documented medical record verifies and records precisely what services were actually provided. The medical record may also be used to validate: (1) the site of the service; (2) the appropriateness of the services provided; (3) the accuracy of the billing; and (4) the identity of the service provider.



Business and Financial Records (cont.)

CommuniCare is committed to meet the following goals:

- The medical record should be complete and legible;
- The documentation of each patient encounter should include the reason for the encounter, any relevant history; physical examination findings, prior diagnostic test results, assessment, clinical impression, or diagnosis; plan of care; and date of legible identity of the observer;
- The rationale for ordering diagnostic and other ancillary services should be readily identifiable by an independent reviewer or third party who has appropriate medical training;
- CPT and ICD9/10 CM codes used for claims submission should be supported by documentation in the medical record; and
- Appropriate health risk factors should be identified. The patient's progress, any changes in treatment, and any revisions in diagnosis should also be documented.

These issues can be the basis of investigations or inappropriate or erroneous conduct and have been identified by CMS and the OIG as leading causes of improper payments.

Financial Reporting and Records

CommuniCare is committed to maintaining accurate and complete documentation and reporting of all financial records. These records serve as a basis for managing our business and are important in meeting our obligations to patients, employees, vendors and others. These records also are necessary for compliance with tax and financial reporting requirements.

All financial information must represent actual business transactions. CommuniCare maintains a system of internal controls to provide reasonable assurances that all transactions are executed in accordance with CommuniCare procedures and are recorded so as to maintain accountability for the organization's assets. Anyone with knowledge of inaccurate or false financial records must promptly report them to his or her supervisor, the Chief Financial Officer, the Chief Compliance Officer, or the Compliance ActionLine.

Retention and Disposal of Documents and Records

Medical and business documents and records are retained or destroyed in accordance with the legal statutes and CommuniCare policy. Medical and business documents include paper documents, computer-based information such as email or computer files on the CommuniCare network or stored in a portable format (disk, tape, DVD, USB drive, etc.), and any other medium that contains information about the organization or its business activities.

Records of any type must never be destroyed, altered or concealed in an effort to deny governmental authorities or other person's information that may be relevant to an investigation, inquiry or litigation.

Billing Inquiries

CommuniCare responds timely and truthfully about any billing inquiries. We answer requests for information with complete, factual, and accurate information. We cooperate with and are courteous to all government inspectors, their agents, and other third parties and we will provide them with the information to which they are entitled during an inspection or inquiry.

Workplace Conduct and Employment Practices

CommuniCare maintains a positive work environment that supports our values. We will not tolerate disrespectful, intimidating, threatening, or harassing behavior. This includes but is not limited to:

- Degrading or humiliating jokes, disparaging language and slurs.
- Harassment based on the diverse characteristics or cultural backgrounds of those who work with us.
- Unwelcome sexual advances.
- Requests for sexual favors in conjunction with employment matters.
- Verbal or physical conduct of a sexual nature that interferes with an individual's work performance or creates an intimidating, hostile or offensive work environment.
- Workplace violence, including physical assault, threat of violence, stalking, robbery and other crimes, violence directed at the employer, terrorism and hate crimes.
- Possessing firearms, other weapons, explosive devices or other dangerous materials on CommuniCare premises.

Each of us has the right to work in an environment free of harassment, intimidation and workplace violence. Accordingly, we prohibit any behavior that creates an intimidating, hostile, or offensive work environment. If you observe or experience any form of harassment or violence, you should report the incident immediately.

The health and safety of our employees and patients is our primary concern. To that effect, we are committed to an alcohol and drug-free workplace. This means:

- All colleagues must report for work free of the influence of alcohol and illegal drugs.
- Immediate termination may result if you report to work under the influence of any illegal drug or alcohol, have an illegal drug in your system, use, possess or sell illegal drugs while on CommuniCare work, time or property.
- We may use drug testing to enforce this policy.



Workplace Conduct and Employment Practices (cont.)

Additionally, all CommuniCare caring communities comply with government regulations and rules, CommuniCare policies, and required practices that promote the protection of workplace health and safety. Our policies protect team members from potential workplace hazards. To ensure workplace safety, it is your responsibility to:

- Know how CommuniCare health and safety policies apply to your specific job responsibilities.
- Seek advice from your supervisor or your Safety Officer (if applicable) whenever you have a question or concern.
- Notify your supervisor about a safety hazard, broken piece of equipment, any workplace injury or any situation presenting a danger of injury so that timely corrective action may be taken.

CommuniCare is committed to complying with all applicable federal and state laws governing employment. These laws include:

- The Americans with Disabilities Act
- The Employee Retiree Income Security Act
- The Occupational Safety and Health Act
- The Labor Management Relations Act
- The Age Discrimination in Employment Act
- The Fair Labor Standards Act
- The Immigration Reform and Control Act

Diversity and Equal Employment Opportunity

CommuniCare recognizes people as our greatest asset. The organization's ability to deliver quality resident care is directly related to the skills and abilities of our team members. A diverse workforce enables us to meet the needs of our diverse resident population. CommuniCare is an equal opportunity workforce and does not allow harassment or discrimination against any individual with regard to race, color, religion, sex, age, national origin, disability, pregnancy, genetic information, military or veteran status, or any other characteristic protected by law. CommuniCare will not tolerate acts of discrimination. CommuniCare leaders are responsible for assuring that this policy is followed at all times and that all team members know about and understand this policy.

Controlled Substances

Some team members routinely have access to prescription drugs, controlled substances, and other medical supplies. We access and handle these substances only as authorized and administer them only by physician order. If you become aware of inadequate security of drugs, theft of drugs from the organization, or diversion of drugs from their intended purpose, you must report this immediately.



Workplace Conduct and Employment Practices *(cont.)*

Licensure and Certification

Credentials communicate to our residents that we are qualified to do our jobs. Team members and other workforce members requiring professional licenses, certifications, or other credentials to perform their job duties must maintain the status of their credentials and provide a copy of his or her current license, certification, or other required credentials to the Human Resources Department.

Responsible Use of Assets

We all have a responsibility to use our resources wisely and only for CommuniCare business purposes. These assets include, but are not limited to, employee time, materials, supplies, equipment, information, reports and records, computer software and data, trademarks, and CommuniCare-provided services. We do not allow any use of organizational resources for personal gain of any individual or entity.

Non-employment or Retention of Sanctioned Employees

CommuniCare does not employ excluded persons. We will routinely screen potential employment candidates as well as current team members and contractors against the Office of Inspector General's List of Excluded Individuals and Entities (LEIE) and General Service Administration's Excluded Parties List System (EPLS) which is now included on the System for Award Management (SAM.gov) database. CommuniCare also conducts the necessary criminal background checks in accordance with applicable state and federal laws and regulations. Appropriate action will be taken if an individual or entity is named on an exclusion list or is barred from employment in accordance with CommuniCare policy.

Cooperation in Government Investigations

CommuniCare cooperates with government inquiries. At the same time, all team members should consult with the Legal Department and the Compliance Officer before responding to any non-routine requests to make sure that contacts with government entities are handled within the scope of the law. We are always clear and truthful in what we say to those who make inquiries. We never alter or destroy records if we are aware of an existing or potential government inquiry.

E-Business

Communication systems and Electronic Media

All communication systems are the property of CommuniCare and are used for business purposes. This includes: computers, electronic mail, the intranet, Internet access, fax machines, telephones and voice mail. CommuniCare reserves the right to access, monitor, and disclose the contents of accessed websites, email, and voice mail messages or other communications made through CommuniCare communication systems, consistent with organizational policies. Users who abuse communication systems or use them for unauthorized, non-business purposes may lose these privileges and be subject to disciplinary action, up to and including termination.

The below channels of communication may not be used to:

- Send chain letters
- Broadcast personal messages
- Forward copyrighted documents that are not authorized for reproduction
- Conduct a job search
- Open misaddressed mail

Employees may not use internal communication channels or access the Internet at work to post, store, transmit, download, or distribute any material that is:

- Threatening
- Discriminatory
- Obscene
- Knowingly, recklessly, or maliciously false

Social Media and Networking

While social media and networking offers new and interesting ways for people to communicate and get work done, it can also create risks. CommuniCare takes no position on a team member's decision to start or maintain a personal blog or participate in other social networking activities, but team members are still responsible for protecting CommuniCare's confidential and proprietary information from unauthorized use or disclosure even while they are "off the clock."

E-Business (cont.)

As a team member, it is your responsibility to comply with CommuniCare's Social Networking policy and guidelines for company authorized social networking activities and personal social media networking. Following these practical tips will help protect you and CommuniCare:

- Always use common sense and think carefully about what you post
- Be discreet
- Be professional and polite
- Show respect for the people you work with and the organization
- Be honest, transparent, and truthful
- Have integrity
- Don't disclose confidential information, including residents' protected health information
- Avoid negative comments and engaging in arguments
- Don't post comments that could be viewed as harassing, threatening, or defamatory
- Protect the CommuniCare brand and your own reputation



Confidential Business Information

Confidential information about our organization's strategy and operations is a valuable asset. Although you may use confidential information to perform your job, you must protect it from unauthorized use. You can share confidential information with others outside of CommuniCare or your department only if the individuals have a need to know to perform their specific job duties or are authorized to know. We require business partners who may receive confidential information to safeguard CommuniCare information through a written confidentiality agreement or through other agreements required by law for certain types of information.

Confidential information covers anything related to CommuniCare's operation that is not publicly known. To maintain the confidentiality and integrity of confidential information, such information may be sent through the Internet only in compliance with CommuniCare information technology policies and procedures, which require that certain information be encrypted. Because CommuniCare increasingly creates and maintains confidential information within our computer systems, all team members must protect our computer systems and the information stored therein by following our information technology policies and guidance.

Computer passwords and other means of identification that may be used by CommuniCare are confidential and personal to the team member. Such passwords or identifiers allow authorized users access to specific applications related to their CommuniCare responsibilities. Sharing or failing to protect your unique user IDs, passwords or identification is a breach of internal security and is subject to disciplinary action.

If an individual's employment or relationship with CommuniCare ends for any reason, the individual is still bound to maintain the confidentiality of information viewed, received, or used during the course of his/her relationship with CommuniCare. Such individuals will not be permitted access to confidential information after termination, and copies of any confidential information in the individual's possession must be returned at the end of the individual's employment or relationship with CommuniCare.

Marketing, Advertising, and other Public Communication

CommuniCare engages in marketing and advertising activities to educate the general public, provide information to the community, increase awareness of our services, and to recruit employees. We present only truthful, informative, and non-deceptive information in these materials and announcements. We comply with applicable federal and state laws and other regulations related to marketing, advertising, and communication activity. Third parties (e.g., vendors) may not use or associate CommuniCare's name, symbols, logos or trademarks in an advertisement, press release or marketing material without the prior consent of the CommuniCare. Any media inquiries should be referred to the Executive Director.

Software, Copyright, Infringement

CommuniCare licenses the use of computer software from outside vendors. Unauthorized reproduction of software programs could expose CommuniCare team members and the caring community to litigation and result in claims from vendors. No CommuniCare team member shall duplicate copyrighted software for CommuniCare use if not permitted by the written license agreement. Duplicating of copyrighted software for personal use is prohibited. Violations of such licenses should be reported to the Vice President of Information Technology or the Compliance ActionLine.



Updates to the Code of Conduct

If you have any questions or comments regarding this Code, please contact your Compliance Officer or the Office of Ethics and Business Conduct. Any revisions or clarifications to this Code will be communicated electronically through internal means as well as through organization-wide communications and annual training.

If you have questions or encounter any situation that you feel violates the Code of Conduct, immediately consult your supervisor, another member of management, your Human Resources representative, your Compliance Officer, or the Chief Compliance Officer. You also may report compliance concerns anonymously to the CommuniCare Compliance ActionLine.



Annual Acknowledgement and Certification of Compliance with the CommuniCare Family of Companies' Code of Conduct

This is to acknowledge that I have received and reviewed the CommuniCare Family of Companies' Code of Conduct. I agree to comply with the standards outlined in the Code and all related policies and procedures as is required as part of my continued employment or association with the organization. I acknowledge that the Code is only a statement of principles for individual and business conduct and does not constitute an employment contract.

I will report any potential violation of which I become aware promptly to my supervisor, my Facility Compliance Officer, the Chief Compliance Officer, or the CommuniCare Compliance ActionLine. I understand that any violation of the Code of Conduct or any organizational ethics or compliance policy or procedure is grounds for disciplinary action, up to and including discharge from employment.

Printed Name: _____

Date: _____

Signature: _____

