

CODE OF BUSINESS CONDUCT



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MISSION AND VALUES

Western Health Advantage is committed to improving the health and well-being of our community by expanding access to health care and responding positively to the changing needs of our members, providers and community, while delivering the high level of service with integrity, accuracy and sincerity.

We value:

Accessibility	We offer affordable health coverage and facilitate easy access to care, while respecting the relationship between patient and doctor.
Responsiveness	We make decisions locally, without delay.
Innovation	We respond positively to the unique and changing needs of our partners and we stay at the forefront of the dynamic health care environment.
Integrity	We interact honestly with our partners, while building a relationship of trust.
Accuracy	We are careful, exact and precise with our partners and our business, especially when dealing with confidential health information.
Sincerity	We are genuine and caring regarding our members' health care.
Community	We affect positive change in our community through charitable outreach and volunteer efforts.

CODE OF BUSINESS CONDUCT

Western Health Advantage's (WHA) Code of Business Conduct helps guide all Associates in performing our business activities within ethical and legal standards. The Code ensures that we comply with ethical standards and applicable laws and regulations appropriate to our business. The Code is designed to promote the prevention, detection, and resolution of conduct that does not comply with company policies in addition to state and federal laws and regulations.

- Each of us must know the rules and regulations, policies and procedures pertaining to the job we are to perform;
- Observe and follow the rules, regulations, policies and procedures; and
- Immediately report any conduct appearing to be a violation of these principles.

WHA is an organization of people to whom others entrust the delivery of their healthcare. As such our organization must consider human values in addition to the legal and economic requirements and regulations of being in business. WHA employees are committed to conducting themselves in an ethical and legal manner in performing business on behalf of the

company. As employees, each of us represents the company through our actions and words, therefore, it is up to each individual to protect and enhance the company's reputation.

In a combined effort, WHA pledges to perform its business honestly, ethically and with integrity. Each individual is responsible for carrying out their duties truthfully and without deception and/or fraud. This obligation applies to our relationships with one another, our providers/physicians, our independent contractors, vendors and consultants.

The example of adherence to these standards must begin at the top of the organization and senior management is the role model to encourage the employees to comply. They must also create and maintain an environment in which everyone in the organization may raise concerns they have regarding ethical behavior without fear of retaliation. If any act seems questionable, it should be examined and if necessary re-examined. If you find that you are in a situation that would be a possible violation of these principles, it is imperative you make your supervisor, manager or Human Resources aware of the situation.

It is important that we collectively rely on each other to perform our responsibilities with good judgement and treat each other with respect. Any potential problems in the performance of our duties that appears to be a possible violation of the principles of the way we conduct business or wrongdoing should be reported. WHA's compliance program provides a confidential reporting system with options for handling concerns over our Code of Business Conduct, free from retaliation. No matter how small or insignificant the concern, you must not hesitate to report it by using one of following means:

- Supervisor (or manager)
- Human Resources
- Compliance Officer
- Compliance Hotline

The Compliance Hotline is available any time, 24 hours per day, 365 days per year. The toll-free number is **1-888-563-2250**. Calls to the hotline may be made anonymously and without fear of retaliation. If you call, please provide as much information as you can.

WHA will make every effort to maintain the identity of any individual who confidentially reports possible misconduct, within the limits of the law. No employee is ever discouraged from reporting an issue. An employee who makes a good faith report of a possible violation will not be discharged, demoted, suspended, threatened, harassed or in any other manner discriminated against. "Good faith" means the employee actually believes or perceives the information reported to be true. However, any employee who deliberately and falsely accuses another, with the sole purpose of harming or retaliating against another employee, will be subject to disciplinary action.

WHA has particular concerns regarding legal and ethical actions related to our responsibilities in the way we handle the following matters:

Regulatory Compliance and Accrediting Agencies

WHA offers health plan options to large and small employers in its geographic service area. The Plan is subject to State and Federal laws and regulations. All employees and contracted service providers must be knowledgeable about and ensure compliance with all applicable laws and regulations. Any violation, suspected violation, situation or incident believed to constitute a violation must be immediately reported to a supervisor or member of management, the Compliance Officer, or the Compliance Hotline.

WHA will report the existence of misconduct promptly to the appropriate Government authority within a reasonable period, but not more than 60 days after determining there is credible evidence of a violation.

When reporting misconduct to a Government authority, WHA will provide all evidence relevant to the alleged violation of applicable Federal or State law(s) and any potential impact. Once the investigation is completed, the Compliance Officer will notify the appropriate Governmental authority of the outcome of the investigation, including a description of the impact of the alleged violation. If the investigation ultimately reveals criminal, civil or administrative violations have occurred, the appropriate Federal and State officials will be notified immediately.

Employees of WHA must never conceal, destroy or alter any documents, lie, or make misleading statements to any government investigator at any time, including during an inspection/audit. Employees must not attempt to persuade another employee or person to provide false, inaccurate or misleading information or obstruct or delay the communication of information or records relating to the government inspection.

All dealings with accrediting bodies will be conducted in a direct, open and honest manner. As with regulators, employees must never conceal, destroy, or alter any documents, lie, or make misleading statements to anyone connected with an accrediting body that would mislead the survey team, either directly or indirectly.

Accrediting bodies may be focused on issues that are both general in nature or more focused on specific items of interest. In any case, when WHA decides to seek accreditation from any accrediting body, all required standards pertaining to the particular association are important and must be adhered to.

Compliance with Regulatory Requirements

WHA is to conduct all of its business in a professional, ethical manner. WHA policy requires that each employee, vendor and contractor comply with both the spirit and the letter of all applicable laws and regulations governing the organization.

Workplace Conduct and Employment Guidelines

WHA is committed to providing a work environment of equal opportunity, in which employees are treated with fairness, respect and dignity, in which they are valued for their diversity and provided opportunities to develop. WHA prohibits discrimination against individuals in any work-related situation and decisions based on race, color, creed, gender, age, disability status, national origin, religion, marital status, sexual orientation, ancestry, any disability including AIDS, HIV or any other condition. We will make reasonable accommodations for qualified individuals for known physical and mental limitations.

Harassment and Workplace Violence

WHA supports the right of each employee to work in an environment free of harassment, including sexual harassment or abuse of any kind. Harassment is unwelcomed or unsolicited visual, verbal, physical, or other conduct based upon: race, color, religion, gender, national origin, ancestry, marital status, sexual orientation, age, physical or mental ability, disability from AIDS, HIV, or any other medical condition, request for pregnancy leave, family care leave or medical disability leave. This also includes degrading or humiliating jokes, slurs, or displaying posters, photographs, cartoons or written materials that disparage individuals or groups, intimidation, or other harassing conduct that is not acceptable in the WHA workplace.

Any form of sexual harassment is prohibited; there is zero tolerance at WHA for this behavior. This includes unwelcome sexual advances, request for sexual favors or in conjunction with employment decisions and any other visual, verbal or physical conduct of a sexual nature that has the effect of unreasonably interfering with an employee's work or that creates an intimidating, hostile, or offensive work environment.

Harassment includes incidents of workplace violence. This includes robbery and other commercial crimes, stalking, violence directed at the employer, terrorism and hate crimes committed by current or former colleagues, possessing firearms, other weapons, explosive devices, or other dangerous materials not permitted at WHA. Employees who experience or observe any form of harassment or violence are obligated or encouraged to report the incident to their supervisor, Human Resources Department, any member of the management team, the Compliance Officer or the Compliance Hotline.

Substance Abuse-Free Workplace

WHA employees are advised that the unlawful manufacture, distribution, dispensation, possession, transfer or use of alcohol or any illegal drug in the workplace, or while engaged in WHA matters, is strictly prohibited. Associates shall not be under the influence of illegal drugs or alcohol while at work or while engaged in WHA matters. Anyone who violates this policy will be subject to disciplinary action up to and including termination of employment.

Conflicts of Interest

A WHA employee's outside activities or personal interests should not influence or appear to influence their ability to make objective decisions in performing their job responsibilities. Employees are expected to refrain from engaging in any outside activities that might be in direct conflict with the business interest of WHA or their responsibilities or duties with WHA. It may also be considered a conflict of interest if outside activities hinder or distract you from performing your job or cause you to use company resources for other than WHA purposes.

It is the obligation of every employee to ensure they remain free of conflicts of interest in performing their responsibilities for WHA. It is the responsibility of each employee to report any possible conflict of interest to his or her supervisor or Human Resource Department.

Relationships with Vendors and Colleagues

No one should feel compelled to give a gift to a colleague for any occasion or to participate in a fund raising effort. Gifts given or received should be appropriate and in good taste; no one should ever give a lavish gift to a supervisor or manager.

WHA conducts business and manages vendors in a fair and reasonable manner that is consistent with applicable laws and regulations and within good business practices. Vendor selection is made on an objective basis using criteria such as cost, services, quality, deliverability, technical expertise and ability to supply product timely. All purchasing decisions are based on the vendor's ability to meet the business needs and not on personal relationships.

As an employee of WHA you may be exposed to, or directly involved in making or influencing decisions that could affect the health care and services available to our health plan members. As such, you are required to follow WHA's conflict of interest requirements. Specifically, as a WHA employee you are prohibited from accepting any gifts, cash bonuses, or other incentives from the organization, individuals or outside entities which could be construed as having influence over the decisions you make through your job duties.

Special Circumstances Regarding Government Employees

Recruiting and hiring former and/or current federal, state or local government employees is subject to changing rules that vary by rank of employee. WHA must exercise good judgment and ensure that no conflict of interest law is violated when considering such an employee or consultant.

WHA employees must never give gifts or pay for meals, entertainment or reimbursement for travel expenses to a Federal employee or any person acting on behalf of the United States or any organization owned in whole or part by the United States. This includes not offering to pay a fee, salary or compensation of any kind to any government employee.

Company Resources

Any use of WHA resources for personal financial gain unrelated to WHA's business is prohibited. Employees must protect all of WHA's private and proprietary information. Proprietary information includes "intellectual property" created by employees while employed or using WHA resources. WHA employees have a legal responsibility not only to protect company information, but also to preserve the company's tangible assets, including time, supplies, and equipment. Company assets are to be maintained for business related purposes. As a general rule, the personal use of any WHA asset without the prior approval of your supervisor is prohibited. On occasion, the use of items, such as copying facilities or telephones, where the cost to WHA is insignificant, is permissible.

Health and Safety

WHA consistently strives to provide a safe and healthy workplace in which all state and federal applicable health and safety laws and regulations are observed. Company policies are to promote the protection of all employees and to avoid potential workplace hazards. Each employee needs to be familiar with and understand these policies and how they apply to a specific job responsibility. When in doubt, seek advice from your supervisor or Human Resources whenever you have a question or concern. It is important for all individuals to make others aware of any serious workplace injury or situation presenting a potential danger so resolution to the issue can be taken in a timely manner.

Protection of Confidential and Proprietary Information

Confidential information about WHA's strategies and operations is a valuable asset. We will protect the company's confidential and propriety information, as well as nonpublic information entrusted to us by employees, members, providers and other business partners. We are committed to using and disclosing information only for its intended purposes. Confidential information and propriety information will be accessed, used or disclosed by employees only as needed to perform specific job responsibilities.

Confidential information includes, but is not limited to, personnel records and wage information, medical and insurance information, pricing and cost data, affiliations, contracts and rates, financial data, research data, strategic plans, marketing strategies, techniques, employee lists and data maintained by the organization, supplier and subcontractor information, and proprietary computer software. Employees' computer logins and passwords are not to be shared with anyone. Each of us must respect the confidential nature of this information, as we would expect our own personal information to be respected.

Patient Information and Patient Rights

WHA complies with the Health Insurance Portability and Accountability Act (HIPAA) with regard to Protected Health Information (PHI) and undertakes activities to assure that each employee is knowledgeable about and complies with WHA's Privacy Policies. WHA recognizes

the sensitive nature of patient information and is committed to maintaining its confidentiality. WHA respects our members' rights to confidential treatment and privacy of all communications and records pertaining to their care. Written permission shall be obtained before the medical records can be made available to anyone not directly concerned with the care, except as permitted by law or as necessary in the administration of WHA health plan. All members are treated with respect and dignity and are provided care that is based on patient needs and delivered within appropriate standards of medical practice.

Employees are required to notify their manager in the event of a breach of unsecured protected health information or unencrypted personal information, in accordance with State and Federal regulations and WHA policy.

Record Retention and Accuracy

WHA company documents and records are accurate and comply with regulatory and legal requirements. Records are not altered or falsified, but accurately and fairly reflect the company's financial information, transactions and assets. All financial records conform to generally accepted accounting principles (GAAP). All medical and business documents and records are stored and retained in accordance with the law and WHA policies. These documents include letters and memos in paper format, computer-based information including, electronic mail, computer files on disk or tape, and any other medium that contains information about the organization or its business activities. It is important to retain and destroy records appropriately according to both company policy and regulatory requirements.

Marketing and Business Practices

WHA conducts all marketing, pricing and sales activities with honesty, fairness, and integrity in a straightforward manner and with non-deceptive information being disseminated. WHA presents all information in a concise, unbiased and accurate manner and all material is reviewed and approved by the appropriate State agency as required prior to distribution.

Contracting

All WHA business transactions must be conducted in an honest manner and with integrity. In the negotiation of a contract all employees must verify the accuracy, completeness and currency of all data generated and given out within the process, including the use of all appropriate regulatory language that may be required. Employees must not make false statements, misrepresentation or engage in fraudulent activities with customers, vendors or any other third party.

We maintain confidentiality regarding contract pricing and information and no confidential information will be disclosed to third parties.

Marketing and Advertising

WHA uses marketing and advertising to inform and educate the communities in which it is licensed regarding the availability and value of its products and to increase awareness of our services, and to recruit employees, when necessary. The company will present only honest, fully informative, and non-deceptive information in these materials, publications and notices. All of our marketing materials will indicate services available and when appropriate, the level of accreditation and certification, including licensure information.

Competitor Information

WHA obtains information about other companies, including competitors through legal and ethical means such as public documents, printed and verbal presentations and published articles in various media. WHA competes creatively and honestly in its day-to-day business activities so as not to compromise its ethical standards or create a conflict of interest. It is not acceptable to acquire confidential information regarding a competitor through illegal means, including requiring anyone to breach a contractual agreement. Employees are discouraged from serving as a director on a board for a competing company that could directly or indirectly create a conflict of interest. This also includes working part-time or as a consultant.

Antitrust

Antitrust laws promote fair competition and by discussing WHA business such as pricing, specific contracting arrangements or allocation of market segments in public with competitors could be in violation of these laws. These situations could arise at business meeting, educational opportunities, seminars and trade association meetings. Exercise caution when participating in discussions of a sensitive nature.

Business Courtesies or Inducements

Any marketing or business activities that involve giving anything of value to a member, provider, or any outside person must be within all regulatory guidelines and company policy. Federal and state laws prohibit the Plan and its employees from offering anything of value to an entity or person in order to induce that person to purchase services from or to refer a customer to WHA. It is critical to avoid the appearance of impropriety when giving gifts to individuals who do business or are seeking to do business with WHA. The company may sponsor an event as long as the purpose is not to induce any favorable business action or to improperly influence relationships or business outcomes.

The Federal and state government have strict rules and laws concerning gifts, meals, and other business courtesies for their employees. WHA is to not provide any gifts, entertainment, meals, or anything else of value to any employee of the Federal or state government, except in the way of insignificant refreshments in conjunction with business discussions.

Political Activities

It is imperative to separate one's personal and corporate political activities so WHA can comply with all the appropriate rules and regulations relating to lobbying or endeavoring to influence government officials. Employees may participate in the political process on their own time and at their own expense. It is important not to give the impression that you are speaking on behalf of or representing WHA while participating in these activities. Employees will not be reimbursed by WHA for any personal contributions for any such political purposes. State and Federal laws, along with company policy, prohibit the use of funds, assets, services or facilities on behalf of a federal, state or local political party or candidate except under certain limited circumstances. To find out about these limited circumstances, seek guidance from the Human Resources Department.

Where to Find Answers to Additional Questions

The Code of Business Conduct is meant to provide an overview of Western Health Advantage's policies on ethics, compliance and conduct-related issues. This publication is a living document and is subject to change as we refine our policies and procedures and as government agencies and regulators modify their rules.

In addition to using this publication, employees should familiarize themselves with the relevant policies and procedures posted on the WHA intranet site (iWHA). This site contains extensive information on WHA's policies related to employment, workplace conduct, confidentiality, security and other important topics.

For additional information, or to report a concern, you may contact WHA's Compliance Hotline at 1-888-563-2250.