

Code of Conduct & Ethics

CONDUCT IN THE WORKPLACE

1.1 GUIDING PRINCIPLES ON WORKPLACE CONDUCT

Situations that involve ethics and values are often complex. No Code of Conduct can completely cover every workplace situation. Sometimes, a law or policy clearly dictates the outcome. More often, it is necessary to interpret the situation.

When faced with a decision, ask yourself these questions about the choice you are considering:

- What feels wrong about this situation or action?
- Is this situation against company policy or possibly the law?
- Am I being fair and honest?
- Where can I go for help with this situation?

1.2 DISCRIMINATION

CDN is determined to maintain a work environment free of discrimination. We serve perhaps the most diverse membership community in the nation, and we work with providers and healthcare partners who reflect that diversity.

Our company will be stronger and more successful by honoring the diversity of people and ideas. Employment discrimination against anyone on any unlawful basis such as gender, gender identity, race, religion, color, national origin, ancestry, sexual orientation, age, medical condition, physical or mental disability, pregnancy or marital status, veteran status, or family leave status is prohibited.

CDN will not tolerate discrimination against any employee. Nor will we tolerate retaliatory conduct toward any employee who raises a concern about discrimination.

1.3 Workplace Harassment and Violence

Harassment or violence in the workplace is prohibited. Some forms of harassment, such as sexual harassment, are illegal, as well as against company policy. Whether overt or subtle, harassment is forbidden and will not be tolerated. Reporting harassment and violence in the workplace is critical in helping CDN deal with the situation properly.

Some forms of harassment include: Unwelcome sexual advances, requests for sexual favors, suggestive comments, inappropriate physical contact, and any other unwelcome verbal or physical conduct of a sexual nature.

- Derogatory comments, jokes, insults, threats, slurs, and other unwelcome actions based on race, ethnicity, religion, or any other protected category noted under “Discrimination” above.
- Verbal or physical threats or acts of violence.

1.4 Fitness for Duty

CDN is committed to a drug- and alcohol-free work environment. Any employee who uses, manufactures, possesses, distributes or makes arrangements to sell, purchase, or distribute illegal drugs or controlled substances while on company premises, engaged in company business (including all work hours and meal breaks), is in violation of this policy. It also is a violation for any employee to use or possess an open container of alcohol on company premises or to be impaired by alcohol while performing company business or job-related duties.

For safety reasons, it is important that employees take appropriate care in using even prescription drugs or medication while performing their duties. Employees also should not report for work if they are too impaired, fatigued, or ill to perform their duties safely.

1.5 Fair Dealing

We always should treat those with whom we work or do business fairly, honestly, and straightforwardly.

Fairness is at the heart of our value of Respect. Fairness and respect also mean that we do not retaliate against anyone for raising an issue or reporting a potential violation in good faith.

POLICY ON ETHICS

2.0 ETHICS

It is important that all CDN employees

- Perform their work with honesty, integrity, objectivity and responsibility;
- Act with a high level of professional care, avoiding any real or apparent conflicts of interest;
- Act in good faith without misrepresenting facts or allowing their independent judgment to be compromised;
- Accept responsibility for all actions;
- Observe the law and make disclosures expected by the law;
- Not knowingly be a party to any illegal activity or engage in acts that are discreditable to CDN;
- Comply with all Company policies and procedures;
- Proactively promote ethical behavior amongst peers, in the work environment, and the community;
- Exercise responsible use and control over all CDN assets and resources; and,
- Respect and contribute to the legitimate and ethical objectives of California Dental Network.

2.1 GRATUITIES AND “KICKBACKS”

We must maintain the highest standards of integrity and objectivity in dealing with current or former vendors, consultants, brokers and service providers. CDN staff members shall not use their position to secure special privileges for themselves or their close relatives. We are prohibited from accepting or giving gifts or gratuities beyond common business courtesies of nominal value. Gifts or items of value must never be offered to or accepted from government employees. Under no circumstances will we accept or give kickbacks when obtaining or awarding contracts, services, referrals, goods, or business. A kickback means to willfully offer, receive, request or pay anything of value, even nominal value, in order to induce or reward referrals of business including goods or services.

2.2 CONFLICTS OF INTEREST

As an employee of CDN, you are expected to act at all times in CDN’s best interest and to exercise sound judgment unclouded by personal interests or divided loyalties. Both in performing your duties at CDN and in your outside activities, you should avoid the appearance as well as ensure that no conflicts of interest exist. All employees must comply with CDN’s Conflict of Interest Policy.

2.3 CONFIDENTIALITY –PROTECTING INFORMATION/PRIVACY

Our company has a variety of information on business activities and strategies. Much of this information is proprietary and confidential and is not generally available to the public. Each employee must protect the integrity of CDN’s confidential information at all times. Every employee working with CDN’s information holds a position of trust and must take reasonable steps to ensure that private information will not intentionally or inadvertently be divulged.

Confidential information also includes protected health information (PHI) about our members, including names, addresses, and dates of birth, claims histories, medical records, and other types of patient data. This type of information is regulated under the health Insurance Portability and Accountability Act (HIPAA) and accompanying regulations. It is imperative that such information be maintained in a secure and confidential manner. All employees must sign a Confidentiality Agreement in which each employee recognizes his or her obligations with respect to Confidentiality and PHI.

Our company has a number of policies concerning the maintenance of PHI. All employees and temporary agents are required to complete HIPAA training at the time of hire as a compliance requirement. These policies and trainings can be found by contacting Human Resources or the Director of Compliance.

Since a person’s conduct, either on or off the job, may threaten the security and confidentiality of the information, any employee or person with authorized access to the system is expected:

- Not to make or permit unauthorized use of any information or files;
- Not to seek personal benefit or permit others to benefit personally by any confidential information which has come to them through their work assignment;
- Not to exhibit or divulge the contents of any record or report to any person except in the conduct of their regular work assignment;
- Not to remove any official record of report (or copy) from the office where it is kept except in

performance of regular duties or with prior approval;

- Not to aid, abet, or act in conspiracy with any other person to violate any part of this code; and,
- To immediately report any violation of this code to management.

2.4 COMPETENCE

Due to the nature of our business, all employees have an obligation to execute their duties and responsibilities with professional care and skill to the best of their knowledge and abilities. To that end, all employees must familiarize themselves with the appropriate Company and/or departmental policies and procedures, applicable laws and regulations, and other rules that govern our business.

2.5 REPORTING CODE VIOLATIONS

Employees should report suspected violations of this Code, applicable laws, regulations, and contract requirements. All employees of CDN are strongly encouraged to report any violations of this policy to the Compliance Director. All investigations, documents, and reports shall be considered confidential and highly security-sensitive to the extent allowed by law.

2.6 CONSEQUENCES OF FAILURE TO COMPLY WITH THIS POLICY

Each person is responsible for ensuring that their own conduct and the conduct of anyone reporting to them fully complies with this policy. Violations will result in appropriate disciplinary action up to and including discharge from employment. Disciplinary action will be taken in accordance with the applicable procedures in the Employee Handbook. Conduct representing a violation of this policy may, in some circumstances, also subject an individual to civil or criminal charges and penalties.

POLICY ON CONFLICTS OF INTEREST

3.1 Duty to California Dental Network

It is the policy of California Dental Network that CDN's employees carry out their respective duties in a manner that avoids actual, potential, or perceived conflicts of interest. Each of employees shall have the continuing affirmative duty to report any personal ownership, interest, or other relationship that might affect her or his ability to exercise impartial, ethical, and business-based judgments in fulfilling responsibilities to CDN.

3.2 CONFIDENTIALITY WITH RESPECT TO CONFLICTS OF INTEREST

All information concerning actual or potential conflicts of interest shall be held in confidence unless required by law or the best interests of CDN dictate otherwise.

3.3 CONSEQUENCES OF FAILURE TO COMPLY WITH THIS POLICY

Each person is responsible for ensuring that their own conduct and the conduct of anyone reporting to them, fully complies with this policy. Violations will result in appropriate disciplinary action up to and including discharge from employment. Disciplinary action will be taken in accordance with the

applicable procedures in the Employee Handbook. Conduct representing a violation of this policy may, in some circumstances, also subject an individual to civil or criminal charges and penalties.

POLICY ON FRAUD

4.1 PURPOSE OF FRAUD POLICY

This policy is established to protect the assets and interest of California Dental Network and increase awareness by all employees of their responsibility for reporting suspected fraud. The creation and implementation of, and adherence to, this fraud policy will help assure that the highest standards of professional ethics are maintained by all.

4.2 DEFINITION OF FRAUD

Fraud encompasses an array of irregularities and illegal acts characterized by intentional deception. These include, but are not limited to, theft, embezzlement, and bribery, misappropriations, falsifying records, forgery or alteration of documents, kickbacks, destruction or removal of property, conflicts of interest, and inappropriate use of computer systems, including hacking or software piracy. In addition, no person in a supervisory or management position is to use the authority of that position to assign an employee to perform non-employment related tasks, and managers have a responsibility to develop and implement controls to minimize opportunities for fraud to occur.

4.3 POLICY STATEMENT

Fraudulent activity of any kind, including for the benefit of CDN is expressly forbidden. This policy applies to all CDN employees and will be enforced without regard to past performance, position held or length of service. All persons found to have committed fraud relevant to CDN assets shall be subject to punitive action by CDN and investigation by external law enforcement agencies when warranted.

It shall also be a violation of this policy for any CDN employee to make an accusation of fraudulent conduct with the reckless disregard for truth, for the purpose of being disruptive or causing harm to another individual or to CDN.

4.4 CONSEQUENCES OF FAILURE TO COMPLY WITH THIS POLICY

Each person is responsible for ensuring that their own conduct and the conduct of anyone reporting to them fully comply with this policy. Violations will result in appropriate disciplinary action up to and including discharge from employment. Disciplinary action will be taken in accordance with the applicable procedures in the Employee handbooks. Conduct representing a violation of this policy may, in some circumstances, also subject an individual to civil or criminal charges and penalties.

