



Beacon Health Options Code of Conduct



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Purpose of the Code of Conduct

The purpose of this Code of Conduct is to affirm the mission and beliefs of Beacon Health Options and its related entities (collectively as "Beacon") and to translate this mission into universal standards of conduct that apply to every Beacon employee. Beacon is committed to complying with all applicable federal, state and local laws and regulations that govern its operations. This Code upholds Beacon's commitment to conducting business practices that satisfy all regulatory requirements and meet with the highest ethical, professional and legal standards. All Beacon employees are expected to know and comply with the laws, contractual obligations, and policies and procedures relevant to their work functions. Also, they are responsible for using good judgment when making business decisions and are obligated to work in a manner that is consistent with the intent and spirit of this Code of Conduct.

This Code applies to employees, directors and officers of Beacon and its subsidiaries. The Code establishes the standards for performance of day-to-day job functions and how we interact with members, consumers, clients, providers, vendors and other third parties. All Beacon employees, directors and officers are responsible for adhering to the Code and reporting any suspected abuse or violation. Anyone who violates the Code or fails to report violations will be subject to disciplinary action, including termination of employment, and in some circumstances may be subject to criminal and civil penalties. Beacon's concern with ethical standards also extends to all those who represent our company. Agents, subcontractors, and consultants are required to comply with the Beacon Code of Conduct or have a similar Code of Conduct.

Principles of Conduct

Mission

Our mission is to help people live their lives to the fullest potential.

Values

Our values guide the way we treat our members, providers, clients and each other. They are at the heart of all we do.

- **Integrity:** We earn trust. We speak honestly and act ethically. Our character guides our daily work. We gain the confidence of others by doing the right thing.
- **Dignity:** We respect others. We believe in others and see their potential. With the right support, all individuals can achieve their goals.
- **Community:** We thrive together. We build great teams by leveraging individual strengths. We share, partner and collaborate with others in the name of mutual goal.
- **Resiliency:** We overcome adversity. We embrace that our work is hard, and sometimes does not go as planned. We meet these challenges head-on and constantly strive to better ourselves and our services.
- **Ingenuity:** We prove ourselves. We are learners, innovators and original thinkers. We use our experience, imagination and wisdom to deliver tangible, positive outcomes.
- **Advocacy:** We lead with purpose. We start the conversations that matter. We advance the dialogue on important issues and affect change for the better. If not us, then who?

Standards of Conduct

Corporate Compliance and Ethics

1. All employees are expected to model appropriate conduct. Supervisors are expected to create a culture that promotes ethical behavior, and an environment in which all team members are encouraged to raise concerns. Supervisors may be subject to disciplinary action for failing to fulfill these responsibilities.
2. We understand and adhere to applicable federal, state, and local laws, rules, and regulations that govern our business operations.
3. We shall comply with the regulatory requirements and company policies governing the creation, management, retention and destruction of records.
4. We shall attend training and other activities to increase our knowledge of laws, regulations and guidelines.
5. We shall report any violation or potential violation of laws, rules, professional ethics, safety standards or this Code, following the management chain of command and other resources.
6. We shall cooperate with investigations to resolve issues of non-compliance that have been reported.
7. We shall provide and publicize to our employees, providers, and members a way to anonymously report suspected violations, non-compliance, misconduct or unethical behavior.
8. We shall investigate with appropriate due diligence any reports of violations, non-compliance, misconduct or unethical behavior.
9. We shall submit timely, accurate, and truthful information to federal, state and all other regulatory authorities. If any errors in the data are recognized, we shall notify the appropriate parties and work cooperatively with those parties to resubmit accurate data as soon as possible.
10. We shall practice the highest professional standards of personal conduct with all colleagues, customers and members.
11. We support and endorse adherence to professional ethical standards.
12. We do not employ or contract with individuals or entities that are ineligible for or have been excluded from participation in federally funded programs. We contractually require our contractors and their subcontractors to follow this policy.
13. We prohibit insider trading. Employees may not trade in the securities of any other company, or buy or sell any property or assets, on the basis of material non-public ("insider") information that has been obtained through their employment with Beacon. Employees are also prohibited from giving insider information to others who trade for the purpose of "tipping" those individuals.
14. We do not tolerate theft, fraud, embezzlement or other acts of dishonesty. Any employee, contractor, or Beacon representative who is aware of or suspects any false report or document, false claim, improper billing practice, or violation of company policies and procedures must report their concern to a supervisor, Human Resources, Compliance, or the Compliance and Ethics Hotline. Reports will be investigated in accordance with Beacon's policies and applicable legal and contractual requirements.

Conflict of Interest

1. We will not contract for services with vendors with whom we, or members of our immediate family, have a financial relationship, unless that relationship is known and approved by Human Resources, who may consult with Compliance and executive leadership.
2. Employees may not conduct Company business with any entity in which the employee, or their family, have 5 percent or greater ownership or controlling interest. An immediate family member, as defined by Company policy, generally includes an employee's parent, step-parent, parent-in-law, sibling, sibling-in-law, spouse, child, step-child, grandparent, grandchild, domestic partner and similarly situated relatives of domestic partners and any other member of the employee's household.
3. We will not engage in any activity or conduct that conflicts or appears to conflict with the interests of Beacon or any of its accounts.
4. We acknowledge that outside employment may constitute a conflict of interest if it lessens the efficiency, focus, or productivity normally expected of employees on their jobs, or compromises the independence of the services we provide to our clients and members. Employees must inform their supervisors and Human Resources of outside employment or personal business ventures. Employees who own a personal business that has been determined to not be a conflict of interest, will not use Company resources to operate their personal business.
5. We prohibit employees who conduct utilization management activities from involvement in determinations involving individuals known to them. We do not reward or incentivize individuals conducting utilization review for denials of coverage or services.
6. We understand that Beacon's email shall not be used by employees to solicit contributions for personal charitable events and that solicitations for personal charitable events by employees from other employees should be limited to written announcements posted in commonly used areas or within an employee's workspace. We also understand that employees must not solicit or accept contributions from members, providers, or clients. This prohibition does not apply to charitable contributions authorized by the Company.
7. We will not knowingly contract with, purchase goods and service from current or former government employees and elected officials without approval from: (1) the Chief Executive Officer or the General Counsel or their respective delegate, and, if legally required; (2) written opinion from the applicable State's Ethics Commission and/or other governing entity.
8. We shall not participate with competitors or others in any activities that may illegally limit competition.

Gifts, Entertainment, and Contributions

1. We will not offer gifts and/or business courtesies to physicians, elected public officials and/or government employees or foreign candidates.
2. We will not accept or request:

- a. (i) any cash gift or gift card/certificate in any amount from any source outside of the company with the exception of events that are open to the public, or
- b. (ii) any non-cash gifts of more than \$250* value in any calendar year, from any current or potential vendor, supplier or their agents that do or may conduct business with Beacon without approval from Human Resources.

*For Federal lines of business, no one gift from a company can exceed \$20 for any one occasion and not more than \$50 in a calendar year from a company.

3. We will not solicit gifts from current or potential vendors for the benefit of Beacon staff.
4. We do not offer or solicit kickbacks. A kickback is anything of value or compensation that is given directly or indirectly for the purpose of improperly obtaining favorable treatment in connection with a contract involving federal funds or in return for referring an individual to a provider for services that are paid by Medicare, Medicaid, TRICARE, or any other federal program. We report violations of the federal laws prohibiting kickbacks.
5. We obtain advance approval from the Legal and Government Relations Departments prior to conducting lobbying activities or making political contributions on behalf of Beacon or using Beacon's resources for these purposes. This includes local, state, federal or foreign government entities, agencies, officials or employees.
6. We will not tolerate gambling on company premises.

Non-Intimidation and Non-retaliation

1. We promptly report any suspected violations of the Code, ethics concerns, potential fraud, or other irregularities. Employees who self-report their own actions may still be subject to disciplinary action, however prompt reporting and cooperation with an investigation will generally result in reduced or waived disciplinary action. Reports may be made to a supervisor, Human Resources, compliance team members, or the Beacon Compliance and Ethics Hotline at 1-888-293-3027. Reports to the Compliance and Ethics Hotline may be made anonymously. Written reports may also be sent to the Compliance inbox (compliance@beaconhealthoptions.com) or by mail to:

Ethix360
Attn: Beacon Health Options
10800 Independence Pointe Pkwy, Ste. D
Matthews, NC 28105

2. We foster a work environment in which all concerns can be raised without fear of intimidation or retaliation.
3. We do not tolerate any act of retaliation against employees who, in good faith, report a valid concern and/or a suspected violation of a law, regulation, policy or anything written within this Code. We acknowledge that Federal law prohibits companies from discharging, demoting, suspending, threatening, harassing, or discriminating against any employee who makes a good faith report of or assists in the investigation of a false claim.

Privacy, Confidentiality, Security

1. We respect the privacy of our clients, members, providers and colleagues and will only share information with others on a "need-to-know" basis in accordance with our assigned responsibilities.
2. We take reasonable steps to limit the use, disclosure and request of protected health information to the minimum necessary to accomplish the intended business purpose, unless otherwise permitted by law.
3. We do not reveal medical, clinical or business information unless such release is supported by a legitimate clinical or business purpose, client authorization or acknowledgement, or court or agency order, and is in compliance with applicable laws, rules, regulations, and Beacon's policies and procedures.
4. We treat individual salary, stock options, benefits, payroll, personnel files and information on disciplinary matters as confidential information.
5. We allow the release of confidential information by appropriate staff to third parties only if the disclosure is allowed by law and/or the individual has completed appropriate authorization forms, if required.
6. We do not give confidential or commercially sensitive information to competitors, suppliers, contractors, anyone outside of Beacon, or to Beacon employees who do not need such information for a job-related purpose.
7. We maintain the security of the information regardless of the media on which it is stored (for example, on paper, electronically or any other media). We also maintain security of information in transmitting information regardless of mode of transmission (for example, via our computers, fax, by paper, or any other mode).
8. We safeguard Beacon's property, equipment, supplies, services and other assets. We do not tolerate negligent misuse or deliberate destruction of company property.
9. We respect and protect the intellectual property rights of individuals and companies with which we do business. We follow applicable copyright, patent, trademark, and marketing laws and license agreements when we use computer software and printed publications.

Respect for others

1. We do not (i) engage in soliciting clients, members, providers, or co-workers for favors; (ii) distribute religious or political materials to clients, members, providers, or co-workers; (iii) engage in inappropriate personal interaction or sexual activity with clients, members, providers, or co-workers, or; (iv). allow employees to sell their personal services or products to clients, members, providers, or co-workers.
2. We do not create or exchange messages or information on, or through, Beacon's internal and Internet electronic mail and messaging systems that is offensive, harassing, obscene, threatening or disparaging to others.
3. We do not tolerate physical, verbal or sexual harassment or disrespect toward clients, members, providers, or co-workers.

4. We expect employees to follow a supervisor's reasonable instructions and will not tolerate instances of insubordination. We do not tolerate negligence in the exercise of an employee's duties and responsibilities. We expect supervisors to provide guidance that is appropriate and ethical.
5. We do not engage in inappropriate language or actions, including excessive negativity, bullying, shouting/raising of voice towards clients, members, providers or co-workers.

Quality Improvement

1. We shall initiate improvement activities and corrective actions as needed, based on information received through continuous quality improvement and risk management activities.
2. Employees who identify potential concerns regarding the quality of care a member receives should notify a supervisor, the Quality Department or the Compliance and Ethics Hotline.

Marketing

1. We require that all marketing activities and materials used by Beacon be honest, clear, fully informative and non-deceptive in nature.
2. We do not use any member personal or protected health information for marketing purposes.

Member Rights

1. We shall not request or encourage members to dis-enroll from any programs offered by a client, except as permitted by contract, to avoid high cost behavioral health services that the member is to receive for which the company bears financial responsibility.
2. We process appeals and denials in accordance with federal, state, and accrediting body guidelines. We provide members with all necessary and required information regarding their appeal and denial rights.

Accounting and Reporting

1. We shall issue and maintain financial reports, accounting records, expense accounts, time sheets and other documents that accurately and clearly reflect transactions and financial performance.
2. We shall review all invoices, purchase orders and other expense items for accuracy prior to seeking approval for payment.
3. We do not make false statements of claims, certify false information, falsify records, submit false claims or fail to timely return an identified overpayment.
4. We take appropriate steps to verify the accuracy and completeness of any information we are asked to certify, such as required client reports, billing and payment data, accreditation survey requests, or responses to legal/government inquiries, audits, or investigations.
5. We use federal grant money in compliance with applicable laws, including filing of accurate and truthful assurances that inform the federal government about compliance with grant requirements. We acknowledge that failure to comply with the terms of an assurance or submission of false assurances may have serious legal ramifications for Beacon and any individuals involved in such reporting, including termination of all government research funding. We understand that such



activities may also be deemed a violation of the False Claims Act and subject to administrative, criminal, and civil action.

6. We prohibit employees from submitting false assurances or misappropriating government funding and require them to immediately report any suspected non-compliance or misuse of funds to their supervisor, the Compliance Department, or the Compliance and Ethics Hotline.

A handwritten signature in blue ink, appearing to read "Russell C. Petrella", written over a horizontal line.

Russell C. Petrella, Ph.D.
Chief Executive Officer

A handwritten date "04/09/2019" in black ink, written over a horizontal line.

Date