

# code of conduct

## 2007

A Place to Make a Difference



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**T**his Code of Conduct is a statement of UCare’s most important ethical and legal expectations for our employees, volunteers, and Board of Directors. While this Code of Conduct is critical, it is only as meaningful as the corporate culture of integrity and openness that it supports. Each one of us should strive to integrate ethics and compliance into our everyday work.

Indeed, UCare’s mission and values – and this Code of Conduct – express a consistent message of doing the right thing for our members, our co-workers and company, our business partners, and government agencies.

#### **UCARE MISSION:**

UCare Minnesota will improve the health of our members through innovative services and partnerships across communities.

#### **UCARE VALUES:**

**Integrity** UCare stands on its reputation. We are what we say we are; we do what we say we do.

**Community** UCare works with communities to support our members and give back to the communities through UCare grants and employee volunteer efforts.

**Quality** UCare strives to continually improve our products and operations to ensure the highest quality of care for our members.

**Flexibility** UCare seeks to understand the needs of our members, providers, and purchasers over time and to develop programs and services to meet those needs.

**Respect** UCare respects its members by providing quality care and services that recognize their unique needs. UCare respects its employees by providing a supportive work culture that encourages their development and embraces their diversity.

UCare’s Board of Directors and management team are committed to the principles described in this Code of Conduct, and to maintaining a culture of compliance. Please read this Code of Conduct carefully and know that UCare expects you to understand and use this document as a guide for your work.

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## ■ A. CEO Letter

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January 2007

Dear Co-workers and Business Partners:

Quality, honesty, and integrity in everything we do are important values to all of us at UCare Minnesota (UCare). We are committed to providing the best quality health coverage and services in keeping with our mission and corporate values. We live in a world of constantly changing regulations and requirements that affect our business. We are committed to following all applicable laws, government regulations, purchaser requirements, and our own policies, and we have implemented a Corporate Compliance Program to assist us in this process.

A key element of the Compliance Program is our Code of Conduct. Our Code of Conduct is rooted in our mission and values, and re-affirms the values and professional standards that already exist at UCare. We expect that all related entities, such as subcontractors and those who perform delegated services, act in an ethical and compliant manner, consistent with our Code of Conduct.

Our Code of Conduct was designed to serve the following purposes:

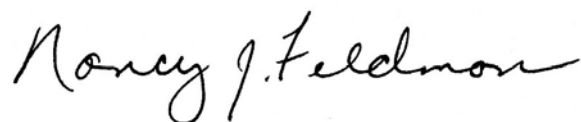
- To communicate the commitment of UCare's management to compliance with laws, regulations, ethical business practices, and the basic standards expected in the workplace; and
- To ensure that all employees understand their responsibility for keeping UCare in full compliance with these laws and regulations and how they can participate in UCare's Compliance Program.

Our Code of Conduct and our Compliance Program have the full endorsement of the Board of Directors, as well as the management team. Familiarize yourself with this document. It provides an overview of the Compliance Program and the most important business practices that have compliance requirements. While the document does not cover the specifics of every situation that you may encounter, it does provide a resource when you have questions. The management team stands ready to answer your questions about this document and the Compliance Program in general.

You should speak with your supervisor any time you have a question regarding a possible violation of our Code of Conduct. If you do not receive a satisfactory response from your supervisor in a reasonable amount of time, you should raise your concern to your Senior Manager or Director. Additionally, our Corporate Compliance Director may be contacted at any time. The Corporate Compliance Director can be reached at 612-676-3523, or reports can be made anonymously to the Compliance Voicemail Box at 612-676-6525. I can assure you that retaliation for reporting issues to management, the Corporate Compliance Director or the Compliance Voicemail Box will not be tolerated.

The Board of Directors and management team of UCare join me in pledging our full commitment to upholding our Code of Conduct and our Compliance Program, as we seek to fulfill our mission of providing excellent health coverage and services to our members.

Sincerely,



Nancy J. Feldman  
President and CEO  
UCare Minnesota

## **B. Doing Right for Our Members**

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### **Medically Necessary Covered Services**

UCare is committed to ensuring our members have access to medically necessary covered services. Our approval or denial of services must be based on UCare's policies and procedures, including appropriate consideration of benefit coverage and medical necessity. We believe preventive services have an important place in the care continuum. If we learn of a problem with the quality of care provided, we will investigate and take appropriate corrective action. UCare uses member surveys, credentialing, case management, quality assessment studies, and utilization reviews to monitor appropriate health care delivery.

### **No Incentives for Providers to Deny or Restrict Care**

It is our policy to comply with federal and state requirements concerning physician incentives. UCare will never offer or give providers anything of value in exchange for denying or restricting medically necessary care for a particular member. Payment arrangements that place physicians at financial risk for referral services are appropriate, but they must be reviewed closely by appropriate staff to ensure compliance.

### **Clear, Accurate, and Appropriate Marketing Information**

We will provide members and potential members clear, accurate, and appropriate information about our services and their rights. It is UCare's policy to comply with all state and federal requirements for government agency review of marketing materials and other materials distributed to members. Employees with direct contact with members and potential members will be trained to provide accurate information. If an inaccuracy is discovered – particularly in materials describing benefits and plan rules – members will be informed as soon as possible. UCare representatives are prohibited from conducting door-to-door marketing, and all sales and marketing activities must comply with applicable Medicare and Department of Human Services guidelines.

### **No Illegal Gifts**

UCare will not offer cash or monetary rebates to individuals to induce their enrollment, and will follow applicable federal anti-kickback laws and laws prohibiting inducement. However, we may offer promotional gifts of nominal value in compliance with legal standards. In addition, health promotion programs may provide members gifts in exchange for using preventive health-related services. Employees involved in marketing and health promotion programs should consult their supervisors, Government Programs staff, or the Corporate Compliance Director if they have any questions about providing members and potential members with gifts or incentives.

### **Required Benefits**

UCare will comply with all benefit requirements imposed by law and defined by purchasers. For example, we will not require providers or members to seek UCare's prior approval before providing or receiving urgent care and emergency medical services. In addition, we will not deny claims for payment where the service provided meets the criteria of a medical emergency, according to a prudent layperson standard.

### **Open Communication**

UCare will never impose incentives or requirements on physicians to discourage free and open communication about health care treatment options with members. We will proactively respond to member concerns and questions. At a member's request, we will provide information or access to information as required by law. For example, we must respond to a member's question about how we pay providers.

### **Appeals and Grievances**

We follow state and federal requirements in responding to appeals and grievances (or complaints) in a timely fashion. We also provide appeal information to members as required by law, so they know their rights. When a member's appeal relates to an urgent health need, we will expedite the appeal process according to regulatory guidelines.

### **No Discrimination**

UCare will market to eligible persons regardless of their health status unless otherwise permitted by law. According to regulatory requirements, we will not deny, limit, or condition enrollment in Medicare Advantage plans on the basis of a person's health status, except for those with end-stage renal disease. In addition, we will not target sicker enrollees and encourage them to disenroll from UCare for the purpose of avoiding payment for their expected medical costs.

It is UCare's policy that members should receive services free of any illegal discrimination, including violation of state and federal civil rights laws. We also will make meaningful efforts in marketing, member communication, and health care delivery to recognize cultural differences among members and potential members. For example, we may provide member materials in a format accessible to a disabled member or in the native language of a person who speaks English as a second language. We cover language and sign interpreter services when members are eligible for such services.

### **Maintaining Member Confidentiality**

Employees will follow UCare's policies and procedures to ensure that confidential information about members is protected. Violation of confidentiality requirements will result in disciplinary action. Any unauthorized release of or access to protected health information should be reported to a supervisor or the Corporate Compliance Director.

- UCare will not disclose member information outside of UCare unless the person needs the information to do their job and we obtain any necessary member authorizations.
- UCare prohibits selling confidential member information.
- UCare will monitor our conversations involving confidential information to ensure that only those who need to know the information can hear it.
- Employees with access to confidential member information may use such access only for business purposes.
- UCare will make sure that member information is secure from access by people who do not have a right to see it.
- Contracts with third parties who need access to member information must include requirements that satisfy federal privacy rules.
- Staff members who have access to medical records must have strict controls to preserve their confidentiality and integrity. Special confidentiality protection may apply to medical records with information about mental health treatment and drug and alcohol abuse treatment.

## ■ C. Doing Right for Our Co-Workers and Our Company

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### **Respectful Workplace**

Employees deserve a working environment free of discrimination and harassment. UCare will not tolerate any conduct that involves harassment of an employee or that otherwise adversely affects an employee's job or benefits based on the employee's race, color, national origin, age, gender, religion, public assistance status, disability, affectional preference, marital status, or membership or activity in a local commission. Any employee who observes or experiences such inappropriate conduct should contact a supervisor or the Human Resources Department. Any employee who intentionally or willfully creates a hostile working environment will be subject to disciplinary action up to and including immediate dismissal.

### **Truthful Internal Communication**

Employees shall make every effort to share accurate information with co-workers. Particular care should be taken when reporting information about key business or compliance operations. Intentionally misrepresenting information to co-workers will not be tolerated.

### **Conflicts of Interest**

UCare avoids conflicts of interest or the appearance of conflicts of interest. Directors, officers, and management staff are required to comply with UCare's Conflict of Interest Policy. However, all employees must avoid situations where a personal financial interest or a family member's involvement may affect their ability to make fair and objective decisions when performing their job. Employees should avoid even the appearance of a conflict of interest. For example, pursuing a contract with a provider or vendor with whom you or your family has a financial interest would be inappropriate. It also may be a conflict of interest if your work directly affects members who are family members or close friends. If you are faced with a situation that may create a conflict of interest, contact your supervisor or the Corporate Compliance Director. In addition, employees may not work for a competitor or for an organization with which UCare does business without their supervisor's approval and consultation with the Human Resources Department.

### **Anti-Kickback Laws**

Federal and state anti-kickback laws are broadly written to prohibit UCare and our delegates and providers from knowingly and willfully offering, paying, asking, or receiving any cash or other remuneration, directly or indirectly, in return for referrals, arrangements, or orders for any good or service that could be reimbursed by public health care programs. Because this is a very complicated area that includes many exceptions, contact the General Counsel if there are questions about whether this law may apply to a particular activity. Violations of the law carry serious penalties, including imprisonment of up to five years.

### **Appropriate Business Expenses**

Employees, officers, and directors may seek reimbursement or payment from UCare only for appropriate business expenses. Documentation, such as copies of receipts or invoices, must support the business expense as required by Finance Department procedures.

- **Overnight Travel.** Expenses for overnight travel (not including mileage) must be necessary for the performance of the person's work for UCare. For more information, consult applicable Finance Department procedures.
- **Gifts, Meals, and Entertainment.** Providing gifts, meals, or entertainment for current or potential business partners may be appropriate if consistent with the person's duties for

UCare. However, the value may not exceed what is reasonable and customary to develop and strengthen business relationships. If employees have any doubt about whether providing a gift, meal, or entertainment is appropriate, they should seek prior approval from their Director. The Director should consult, as appropriate, their Vice President, who may discuss the matter with the Chief Executive Officer or Corporate Compliance Director.

- **Membership.** Corporate or individual membership dues in professional or industry organizations may be appropriate if related to the company's business or the individual's duties. Employees must seek prior approval for payment of such dues through the budget process or from their supervisor.

### **UCare Property**

Generally, the personal use of UCare property – including supplies, equipment, and information – is prohibited unless approved by a supervisor. Reasonable, occasional, and brief use of the telephones (except long-distance calls), e-mail, and the Internet for personal reasons is permitted consistent with company policy. Check with your supervisor about appropriate use for your particular job. For more information about appropriate computer use, refer to UCare's policy on computer use. Any use of UCare property for personal financial gain or for unlawful purposes is strictly prohibited.

### **Records**

UCare expects that records will be maintained according to its Record Retention Policy. Records that are created as part of our business are the property of UCare, and cannot be used for personal purposes. Altering records or intentionally creating false records is strictly prohibited. Records related to a lawsuit or active government investigation must not be destroyed unless permitted by UCare Senior Management in consultation with legal counsel. In addition, confidential records, such as those containing member information or personnel information, will be secured in a manner to ensure their confidentiality. Such records may be used only for business reasons and in compliance with applicable law.

### **Political Activity**

UCare encourages employees to be politically active on their personal time. However, to retain its tax-exempt status and to avoid improper corporate support, UCare is prohibited from contributing money or property to any political candidate, party, or organization. Nor shall employees seek UCare reimbursement for political contributions or use UCare property for personal political activities. UCare may identify opportunities for employees to express support or opposition to a proposed change in law. Where our experience may contribute to public discourse about a political issue, UCare may take a public position on the issue, either on our own or with local or national industry organizations.

### **Charitable Contributions and Sponsorships**

UCare may make charitable contributions and sponsor community and business events. Such contributions and sponsorships should be provided for purposes consistent with UCare's mission.

### **Antitrust Compliance**

UCare encourages collaborative relationships with other health care organizations that benefit our members and our business, but we will not participate in price fixing, bid rigging, boycotting, collusion, or any conduct creating an agreement with a competitor in violation of state or federal antitrust laws. Employees who participate in the Minnesota Council of Health Plans shall follow the antitrust guidelines established by the Council.

### **Trade Secrets**

Trade secrets are confidential information that, if disclosed, would give a competitor a competitive advantage. Examples of trade secrets are non-public documents such as strategic plans, development proposals, marketing strategies, financial information, utilization data, re-organization plans, and personnel information. It is UCare's policy that trade secrets may not be disclosed unless permitted by the Chief Executive Officer in consultation with legal counsel. When a government agency requires submission of documents with non-public trade secret information, we must identify the documents as trade secret material. In addition, employees shall not seek trade secret information about a competitor.

### **Information Technology**

UCare follows the laws regarding intellectual properties, including patents, trademarks, marketing, copyrights, and software. UCare expects that information technology will be managed in accordance with Information Systems Policies. We do not copy UCare computer software unless it is specifically allowed in the licensing agreement. UCare only allows authorized persons to have access to computer systems and software based on their job duties and consistent with license agreements. UCare does not allow unauthorized access to its computer system, either directly or by network or telephone. Employees should never perform actions that could destroy or corrupt electronically stored or processed data.

## ■ D. Doing Right for Our Providers and Business Partners

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### **Coding and Billing**

It is the provider's responsibility to ensure that the information required for proper coding is documented in the patient's medical record and on the claim for payment, and that these accurately reflect the care provided. However, UCare has processes to identify and respond to potential fraud, waste, and abuse by providers. Any false, inaccurate, or questionable claims that could be fraud or abuse should be reported immediately to a supervisor, the Corporate Compliance Director, or the Compliance Voicemail Box.

### **Timely Claims Payment**

Providers who deliver services to our members deserve our best efforts to ensure prompt and accurate payment. Our goal is to pay clean claims within 30 days of receipt and resolve non-clean claims as required by law in a timely manner. We also must pay interest to providers according to state and federal law. Further, we will provide clear billing instructions, and be accessible to providers who have billing questions.

### **Delegation and Contract Oversight**

Although we delegate certain administrative duties to other health care organizations, we are accountable for ensuring that the delegated duties are performed. We also recognize the importance of reasonable contract oversight that is consistent with legal requirements and with the interests of our members and our business. Prior to contracting with or employing an individual or organization, we will determine whether the individual or organization is excluded from participation from federal health care programs or debarred from federal procurement programs. We also will follow UCare's contracting, credentialing, and delegation policies and procedures.

### **Confidentiality of Provider Information**

UCare will comply with confidentiality requirements in conducting peer reviews of providers. When sharing information about providers outside of UCare, we will be factual and sensitive to providers' proprietary interests. Files and records containing provider information will only be shared with those employees who need to know the information to perform their work.

### **Accepting Gifts, Meals, and Entertainment**

Employees shall not solicit gifts, meals, entertainment, or any gratuity from current or potential business partners. Accepting gifts, meals, or entertainment offered by current or potential business partners may be appropriate to help develop and strengthen business relationships. However, gifts, meals, entertainment, or any gratuity which are excessive in value, or which may be viewed as potentially affecting an employee's business judgment, must be declined or returned. Employees should take particular care when they are offered gifts, meals, entertainment, or any gratuity from potential business partners during negotiation of a transaction. Decisions involving business partners should be based only on the value of their goods or services for UCare and our members.

- **Gifts.** If employees are offered or receive a gift, they must disclose it to their supervisor for consideration about whether it is appropriate. Gifts that are appropriate should be shared with other employees to the extent possible or donated to charitable organizations. This requirement applies to not only gifts from current or potential business partners but gifts from members as well.
- **Meals.** If employees have any questions about whether accepting a meal is appropriate, they should consult their supervisor.
- **Entertainment.** Before participating in an entertainment event provided by a current or potential business partner, employees must inform their supervisor.

## ■ E. Doing Right for Government Agencies

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### **Ethical Business with Government Staff**

It is against UCare policy to provide government officials and employees gifts and entertainment in an effort to influence government decision-making. Therefore, generally no payment or anything of value may be offered to a state or federal government official or employee. Before an employee provides a government official or employee anything of value, the employee shall confirm compliance with applicable state and federal law. In addition, before engaging in discussions with a government official or employee about possible employment at UCare, employees should contact the Human Resources Department for guidance to ensure compliance with conflict of interest laws.

### **No False Reporting**

Intentionally making a false statement to a government agency is strictly prohibited. We will make every reasonable effort to report accurate information, including but not limited to encounter data, financial statements, Medicare premium bids, and member status. If employees discover that they reported inaccurate information, they must contact their supervisor or the Corporate Compliance Director for consultation about how to correct the inaccuracy. We do not knowingly make any false statements, verbal or written, to government agencies. We expect compliance with federal and state False Claims laws as they may apply to UCare.

### **Government Investigations**

UCare will comply with subpoenas and cooperate with governmental investigations as required by law. If a government investigator contacts an employee, the Corporate Compliance Director should be contacted immediately. Employees should never attempt to obstruct a government investigation or audit by lying, making misleading statements, or destroying or altering documents. Under all circumstances, employees must tell the truth to government agents.

### **Medicare Part D Antifraud Efforts**

UCare will also work in collaboration with all government agencies, including the Medicare Drug Integrity Contractor (MEDIC), to perform specific program integrity functions for the Medicare Part D Program. We will maintain a comprehensive plan to detect and prevent fraud, waste and abuse. Any employee with information on potential violations of federal and/or state criminal, civil, and administrative laws, rules, and regulations should refer this information to the Corporate Compliance Director who will refer, as appropriate, to MEDIC for further investigation.

## ■ F. Code of Conduct Enforcement

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UCare expects that our employees and contractors will uphold UCare's mission and values, and "do the right thing" in their work for UCare. Please use this Code of Conduct and other resources made available to you by UCare to help you make the right decisions. A violation of the standards described in this Code of Conduct or any UCare policy can result in disciplinary action, up to and including dismissal from employment or termination of your contract. Disciplinary action taken by UCare to uphold our Code of Conduct will be imposed consistently across the organization and in a fair and equitable manner as described in Human Resources policies.

## ■ G. Raising a Compliance Issue: Questions and Answers

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### **If I am aware of a situation at UCare that may be against the law or against this Code of Conduct, what should I do?**

You are encouraged to bring the issue to the attention of your supervisor as soon as possible after learning about the issue. If you believe that reporting the issue to your supervisor will not help address the issue, contact the Corporate Compliance Director. If you are not comfortable sharing the issue with your supervisor or the Corporate Compliance Director, you should raise the issue with another director. It is critical that you share the issue with management. If you want to report the situation anonymously (without your identity being revealed), use the Compliance Voicemail Box at 612-676-6525. Indeed, reporting a compliance violation is a condition of your employment at UCare.

### **What if I am not sure whether the situation involves a compliance problem?**

No question is a “silly” question. In this era of complex health care regulations, we all should ask as many questions as we need to ensure that the highest quality of care and service is provided. It is always best to ask your supervisor or the Corporate Compliance Director if you are not sure whether the issue is a compliance problem. Indeed, asking questions to make sure your work meets compliance requirements is a critical part of an effective compliance program. Even the toughest compliance problems can be avoided or resolved if employees proactively seek help. Government Programs staff also are a resource to help answer compliance questions.

### **How do I raise a compliance issue?**

How you raise the issue is less important than making sure you raise it. You can raise a compliance issue without giving your name. Indeed, you can leave a voicemail at the Compliance Voicemail Box by dialing 612-676-6525. It is checked by the Corporate Compliance Director on a daily basis. To protect confidentiality, this voicemail does not show the phone number or name of the person leaving the message. Talking with your supervisor or the Corporate Compliance Director is the most obvious way to raise a compliance issue. However, any reasonable method is encouraged, including sending an e-mail, voicemail, or a written note.

### **If I raise a compliance issue, is my involvement confidential?**

The Corporate Compliance Director makes every effort to limit sharing information about the compliance issue – including the identity of the person raising the issue – to those who need to know about the information to address the issue. However, some compliance issues require sharing information among people within the company to ensure they are effectively resolved.

### **Can my supervisor or anyone else take action against me for raising a compliance issue?**

No. It is against UCare policy to retaliate against someone for raising a compliance issue. If retaliation occurs, inform the Corporate Compliance Director immediately. You may be disciplined for your involvement in the compliance violation, but not for raising the issue. Any person who retaliates against someone for raising a compliance issue will be subject to discipline. In addition, any co-worker who deliberately makes a false accusation with the purpose of harming or retaliating against another co-worker will be subject to disciplinary action.

**COMPLIANCE VOICEMAIL BOX: 612-676-6525**  
**TOLL FREE COMPLIANCE VOICEMAIL BOX: 1-877-826-6847**  
**OPERATIONAL 24 HOURS A DAY, SEVEN DAYS A WEEK**

### **What happens after I raise a compliance issue?**

In most cases, your supervisor and the Corporate Compliance Director – often with important support from the Government Programs Department – will gather additional information to determine whether the issue is a compliance problem. All allegations will be thoroughly investigated in an impartial manner and verified before any action is taken. The Corporate Compliance Director will respect and protect the rights of all personnel, including anyone who is the subject of a compliance complaint.

### **What happens when a compliance issue is found?**

If a compliance problem is found, UCare will take corrective action to resolve the problem. Corrective actions may include: training; discipline, including but not limited to warnings, suspensions or dismissal; revised procedures; and improved business processes. All employees are expected to cooperate with investigation efforts. If the violation involves a subcontractor, UCare will take appropriate action under the contract, which may include termination of the contract. In addition, it may be necessary to report potential violations of laws and regulations to state and federal government agencies, or their designees, such as MEDIC. Because a violation may involve government penalties, employees also could be subject to fines and criminal action.

### **Where do I find more information about policies?**

Our policies can be found on the UCare Intranet. If you have any questions or need help finding a policy, contact your supervisor or the Corporate Compliance Director.

### **REMEMBER**

UCare expects this Code of Conduct to guide your work **every day**.  
Refer to this Code of Conduct whenever necessary.  
Be familiar with our policies and procedures.  
And, if you're ever not sure of the right thing to do, ask for advice.





