STATEMENT OF PURPOSE
In our continuing effort to fulfill our organizational mission, Health West Inc. is committed to high standards and compliance with all applicable laws and regulations. Each Health West Board Member, employee, officer, contractor, vendor, agent, and volunteer (“Individual Affiliated with Health West”) is expected to meet high standards of professional behavior whenever he or she acts on behalf of Health West. This is true for dealing with other employees, as well as patients, providers, vendors, government regulators or the general public. Each Individual Affiliated with Health West has a personal responsibility for becoming familiar with and complying with the laws, regulations, and policies and procedures related to his or her responsibilities.

I. GENERAL RESPONSIBILITIES
The Health West Board of Directors recognizes the paramount importance of maintaining Health West’s reputation for integrity that includes, but is not limited to, assuring compliance with applicable Federal, State, and local laws and regulations, as well as fulfilling contractual obligations.

Every Individual Affiliated with Health West is responsible for ensuring that his or her conduct is consistent with these Standards of Conduct, with Health West’s Compliance Program and policies and procedures, and with generally accepted standards of professionalism, courtesy, and respect. Furthermore, individuals affiliated with Health West in supervisory positions must assume, and are charged with, responsibility for ensuring that the conduct of everyone they supervise complies with these Standards of Conduct.

All Individuals Affiliated with Health West are required to agree to abide by this Compliance Program and Standards of Conduct. As proof of such requirement, Individuals Affiliated with Health West are responsible for signing Health West’s Standards of Conduct Commitment in Health West’s HR/payroll management system upon employment with Health West, and as needed to capture necessary updates to this Policy. All Individuals Affiliated with Health West have access to this Policy and the Standards of Conduct Commitment through Health West’s HR/payroll management system and through Health West’s website.
II. STANDARDS OF CONDUCT

In general, Health West expects that all Individuals Affiliated with Health West will behave in a professional and courteous manner. In addition, these Standards of Conduct describe specific standards to which Individuals Affiliated with Health West are expected to adhere.

A. Confidentiality of Information

Individuals Affiliated with Health West may acquire confidential or proprietary information by virtue of their affiliation with Health West. Confidential or proprietary information may not be: (1) disclosed outside of Health West without appropriate authorization from the Board and/or Health West’s Chief Executive Officer (“CEO”); or (2) used for any personal purposes, including but not limited to personal gain or for the benefit of a third party.

B. Conflicts of Interest

1. General Prohibition

Individuals Affiliated with Health West must strive to make decisions fairly and objectively with the best interests of Health West in mind. As Health West is a Department of Health and Human Services (“DHHS”) grantee, these standards for managing Conflicts of Interest are also necessary to comply with DHHS regulations found at 45 C.F.R. § 75.112. No Individuals Affiliated with Health West shall participate in Health West’s selection, award or administration of any contract or grant, paid in whole or in part with Federal funds, when a real or apparent Conflict of Interest is involved.

2. Definitions

a. Interest:

A person has an “Interest” if he or she has, directly, or indirectly through a family member or business partner has:

- **A Business Relationship** (e.g., an actual or forthcoming contractual or employment compensation arrangement) with: (1) an entity with which Health West has entered (or is negotiating to enter) a transaction or arrangement; or (2) an entity that is a competitor or potential competitor of Health West;

- **A Financial Relationship** (e.g., a controlling or material ownership, or investment interest) with: (1) an entity with which Health West has entered (or is negotiating to enter) a transaction or arrangement; or (2) an entity that is a competitor or potential competitor of Health West;

- **A Fiduciary Relationship** (e.g., Board member, Health West employee or trustee) with: (1) an entity with which Health West has entered (or is...
negotiating to enter) a transaction or arrangement; (2) an entity that is a competitor or potential competitor of Health West; or

- A Personal Relationship with an individual who has a business, financial or fiduciary relationship as defined above. A personal relationship means a relationship based on family, friendship or romance.

Any interest in a company through publicly-traded stocks, bonds or mutual funds available to the general public shall not constitute an Interest, provided the ownership or investment interest is less than one percent of the company’s shares.

b. Conflict of Interest:

A “Conflict of Interest” arises when the employee, officer, or agent (including but not limited to any member of the governing board), any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. See: 45 CFR 75.327(c)1. A Conflict of Interest is presumed to exist if a person with an Interest is involved in any way in the transaction or arrangement in which he or she has such Interest.

3. Affirmative Disclosure Requirements

It is the policy of Health West that Interests shall be fully disclosed by any individual regardless of whether a Conflict of Interest is determined to exist.

- Annual Disclosures:

Health West requires that all Individuals Affiliated with Health West and persons seeking to affiliate with Health West disclose in writing (and update at least annually) via Health West’s HR/payroll management system: (1) all Interests that may create an actual or potential Conflict of Interest, and (2) where applicable, provide a statement suggesting how such Conflict of Interest could be avoided or mitigated.

In order to facilitate such full disclosure, Health West requires that all Individuals Affiliated with Health West and persons seeking to with Health West annually complete a Conflict of Interest Disclosure form in Health West’s HR/payroll management system. Completion of a disclosure form does not relieve individuals of the obligation to comply with these Standards of Conduct with regard to disclosure of interests that may occur after the filing of the disclosure form (e.g., with respect to a particular transaction).

- Supplemental Income:

Health West requires that all Individuals Affiliated with Health West, as well as all persons seeking to affiliate with Health West, disclose in writing (and update at least annually) via Health West’s HR/payroll management system any specifics
of any plans to accept supplemental income outside Health West employment so that Health West may determine whether such outside employment or consultancy conflicts, or has the potential or appearance to conflict, with the interests of Health West. Health West’s prior approval of such outside employment or consultancy is required.

• **Continuing Obligation to Disclose Interests:**
  Health West requires that all Individuals Affiliated with Health West and persons seeking to affiliate with Health West disclose, using Health West’s HR/payroll management system, Interests that arise after the filing of the initial Disclosure Form.

**Recipients of Disclosures:**
- Members of, and candidates for membership on, the Board of Directors shall make disclosures to the Chair of the Board of Directors. If the Chair has such an Interest, he or she must make disclosure to the Vice Chair, respectively, who will, in turn, be responsible for advising the Board.
- The CEO shall make disclosures to the Chair of the Board who will, then, be responsible for advising the Board of such disclosure.
- All other Individuals Affiliated with Health West shall make disclosures in writing using Health West’s HR/payroll management system, as outlined above.

4. **Determining Whether a Conflict of Interest Exists**

In the case of a potentially conflicted person who is a Board Member (including the CEO), that person may make a presentation to the Board regarding whether he or she has a Conflict of Interest and may respond to related questions from the Board. However, after such presentation, he or she shall leave the meeting during any discussion of, or vote on, whether a Conflict of Interest exists, and if such Conflict of Interest is determined by the Board to exist, he or she shall leave the meeting during any discussion of, and voting on, the transaction or arrangement that involves the Conflict of Interest.

5. **Procedures for Addressing the Conflict of Interest**

- **Procurement.** If the Conflict of Interest involves Health West procurement, the process shall be conducted in accordance with Health West’s Procurement Policy.
- **Alternative Arrangements.** In other instances, the Board shall, as it may deem appropriate, appoint the CEO to investigate alternatives to the proposed transaction or arrangement and make recommendations. After exercising due diligence, the Board or CEO, as applicable, shall determine whether Health West can obtain an equivalent transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a Conflict of Interest.
Health West’s Best Interests. If a transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a Conflict of Interest, the Board or CEO, as applicable, shall determine (if Board, then by a majority vote of the disinterested Board members) whether, notwithstanding the Conflict of Interest, the transaction or arrangement is in Health West’s best interest, for its own benefit and whether the transaction is fair and reasonable to Health West such that it would constitute an “arms-length” transaction (and be consistent with 45 C.F.R. Part 74 standards).

Pervasive Conflicts of Interest. In circumstances where there are material continuing or pervasive Conflicts of Interest, an individual may be required by the Board of Health West or the CEO, as applicable, to withdraw from his or her position with Health West unless the individual, family member or business associate chooses to disassociate from the outside position that causes the Conflict of Interest.

6. Violations of the Standards of Managing Conflicts of Interest

If the Board or CEO, as applicable, has reasonable cause to believe that a person has failed to disclose an Interest, the person shall be informed of the basis for such belief and afforded an opportunity to explain the alleged failure to disclose.

If, after hearing the response of the individual who failed to disclose an Interest, and making such further investigation as may be warranted in the circumstances, the Board or CEO determines that the individual has in fact failed to disclose an Interest in accordance with these Standards of Conduct, appropriate corrective and/or disciplinary action shall be taken, including removal of the individual from the selection, negotiation, or administration of any contracts or grants.

7. Records of Proceedings

The minutes of the Board and all committees with Board-delegated powers and those records as determined by the CEO shall contain:

Conflicts of Interest. The names of the people who disclosed or otherwise were found to have an Interest in connection with an actual or potential Conflict of Interest and the nature of the Interest; any action taken to determine whether a Conflict of Interest was present; whether the subject person(s) was present during the determination; and the Board or CEO’s decision, as applicable, as to whether a Conflict of Interest in fact existed.

Management of Conflicts. For transactions where a Conflict of Interest has been disclosed or otherwise found to exist, the names of the persons who were present for discussions and votes relating to the transaction or arrangement, and the names of the persons who recused themselves; the content of the discussion,
including any alternatives to the proposed transaction or arrangement or Health West’s best interest; and a record of any votes taken in connection therewith.

Any such minutes produced shall be approved as reasonable, accurate, and complete before the later of (a) the next Board (or committee, as applicable) meeting; or (b) sixty (60) days after the final actions of the Board (or committee, as applicable) are taken.

C. Gifts

No Individuals Affiliated with Health West may solicit or accept gifts, gratuities, favors or anything of value from any current or potential patient, vendor or contractor or potential contractor of Health West or any current or potential party to a sub-agreement with Health West, including subrecipients. Every Individual Affiliated with Health West will decline or return any gift and notify the CEO or the Board (in cases of Board members accepting gifts) of such gift.

A “gift” is defined as anything of value except for promotional materials of little or nominal value such as pens, calendars, mugs, and other items intended for wide distribution and not easily resold. Gifts include, but are not limited to: personal gifts, such as sporting goods, household furnishings and liquor; social entertainment or tickets to sporting events; personal loans or privileges to obtain discounted merchandise, and the like.

D. Bribery

Health West will immediately dismiss any Individuals Affiliated with Health West found to have offered or accepted a bribe to secure funding or other benefits for or from Health West.

E. Honest Dealing with Government Officials

Individuals Affiliated with Health West will be cooperative and truthful in their dealings with any governmental inquiries or requests, including audits, surveys, and certifications reviews. However, Individuals Affiliated with Health West who are not authorized to speak on behalf of the Health West will not respond to any governmental inquiries or requests, including audits, surveys, and certifications reviews and will promptly report any such inquiries or requests to the Health West’s CEO or other member of senior management.

F. Political Activities

No Individuals Affiliated with Health West may participate or intervene in any political campaign in support of or in opposition to any candidate for elected public office while at work during business hours. A political campaign is deemed to begin when an individual announces his or her candidacy for an elective public office or is proposed by others for an elective public office. No Individuals Affiliated with Health West may use Health
West’s name, facility or any resources in connection with political campaign activities.

G. Lobbying

Lobbying is generally defined as a communication (written or oral) that is an attempt to influence (for or against) specific legislation including appropriations. Any lobbying activities proposed to be undertaken by Health West or by any Individuals Affiliated with Health West on behalf of Health West shall require the prior approval of the CEO. Any Individuals Affiliated with Health West undertaking lobbying activities will work with the CEO, or his or her designee, to ensure that such activities are supported by non-Federal resources. Any Individuals Affiliated with Health West undertaking lobbying activities will work with the CEO, or his or her designee, to ensure that all disclosures and reporting of lobbying activities which are required by State or Federal law are submitted in a timely manner.

III. CORPORATE COMPLIANCE

The healthcare industry is subject to many Federal and state laws and regulations that govern all aspects of the delivery of and payment for health care services.

Health West incorporates Federal, state, and local laws and regulations related to fraud and abuse into its Compliance Program, as required.

Violations, whether intentional or unintentional, may result in significant civil or criminal sanctions, or both, for institutions and personnel that do not comply with the law. Health West is committed to ensuring that it complies with these laws and regulations. As a result, Health West has established a series of policies and procedures designed to assist it in:

- Detecting instances of non-compliance;
- Promoting open lines of communication so that every individual affiliated with Health West feels comfortable reporting instances of non-compliance; and
- Responding to any instances of non-compliance that are discovered.

Health West refers to the following series of policies and procedures as its Corporate Compliance Program (“Compliance Program”). Health West understands and expects that its Compliance Program will evolve as the laws, and interpretations of the laws, change.

It is important to note that compliance is not limited to fraud and abuse or patient confidentiality. As a business entity, it is Health West’s objective to comply with all Federal and State laws and regulations, as well as to use general good business practices to protect its reputation and avoid or prevent any Conflicts of Interest in its dealings with Individuals Affiliated with Health West or its business partners. Health West’s Corporate Compliance Program is a comprehensive organizational program that:

- Identifies the Federal and State laws and regulations governing the organization and ensures compliance with these mandates.
● Develops and maintains written policies and procedures, Standards of Conduct, and advances quality improvement programs throughout the organization.

● Performs periodic self-audits to monitor its compliance with applicable laws and policies governing the organization.

● Conducts ongoing, relevant, and comprehensive education and training for all Individuals Affiliated with Health West.

● Guides implementation of corrective action plans to improve Health West’s operations and practices.

IV. Elements of Health West’s Corporate Compliance Program

The Compliance Program is a process that has been established to assist Individuals Affiliated with Health West in understanding and complying with all different areas of our business. The Compliance Program consists of the following elements:

A. Appointment of a Compliance Officer

It is Health West’s policy to have a Compliance Officer to oversee the development and implementation of its Compliance Program and to ensure appropriate handling of instances of suspected or known illegal or unethical conduct. Health West’s Compliance Officer reports to the Chief Executive Officer and is assured direct access to Health West’s Board of Directors for the purpose of making reports and recommendations on compliance matters. The Compliance Officer’s duties include:

● Taking reports of problems or violations and coordinating corrections;

● Suggesting policies related to compliance to the Board and developing procedures implementing policies approved by the Board;

● Overseeing periodic compliance audits and monitoring compliance activities;

● Training Individuals Affiliated with Health West in compliance matters;

● Reporting incidents of non-compliant conduct to the CEO and Board, as appropriate; and

● Ensuring that appropriate disciplinary actions or sanctions are applied.

To support the Compliance Officer in meeting his/her responsibilities, Health West has established a staff-level Compliance Committee comprised of various members of Health West’s senior management and Health West Board.

B. Written Standards of Conduct/Policies and Procedures for Promoting Compliance

As part of its efforts to implement an effective Compliance Program, Health West has established written standards to assist Individuals Affiliated with Health West in recognizing compliance issues and to guide them to do the right thing. These include organizational compliance policies and procedures that direct the operations of Health West’s Compliance function and this Compliance Program and Standards of Conduct document.

Health West will continue to develop or revise and implement policies and procedures
consistent with the requirements and standards established by the Board of Directors, Federal and State law and regulations, relevant reviewing and accrediting organizations (such as the Bureau of Primary Health Care) and, as applicable, commercial health plans. It is Health West’s policy to address identified areas of risk and to promote compliance by developing written policies and procedures that establish guiding principles or courses of action for affected personnel.

**C. Education and Training**

It is Health West’s policy to develop or offer ongoing and regular educational and training programs so that all Individuals Affiliated with Health West are familiar with its Compliance Program and Standards of Conduct and Health West’s other policies and procedures. Specifically, it is Health West’s policy to ensure that Individuals Affiliated with Health West understand the fraud and abuse laws and, if applicable to their position, the coding and billing requirements imposed by Medicare, Medicaid, and other applicable government health care programs and commercial health plans. Health West communicates this information, along with information regarding its standards, policies, and procedures, to all Individuals Affiliated with Health West by requiring participation in training programs and distributing and explaining information about what is required for Health West to succeed in its compliance efforts.

**D. Reporting Compliance Issues**

Health West is committed to establishing and maintaining meaningful and open lines of communication between the Compliance Officer, the CEO, and Board of Directors as well as between Individuals Affiliated with Health West and the Compliance Officer.

**E. System for Responding to Allegations of Improper and Illegal Activity**

To support Health West’s commitment to establishing and maintaining meaningful and open lines of communication, Health West will take appropriate steps to respond to every report of suspected unethical or non-compliant conduct, as well as to address unreported incidents of suspected unethical or non-compliant conduct. These steps may include conducting investigations, reviewing documents, implementing or revising policies and procedures, offering training, conducting audits, and imposing disciplinary action.

**F. Audits and Evaluation**

As part of its efforts to implement an effective Compliance Program, Health West strives to periodically conduct self-audits of its operations to ascertain problems and weaknesses in its operations and to measure the effectiveness of its Compliance Program.

**G. Corrective Action and Disciplinary Standards**

Health West is committed to ensuring that its Compliance Program, Standards of Conduct, and its policies and procedures are adhered to by all Individuals Affiliated with Health West through consistent enforcement, which may be accomplished by imposing
disciplinary action as deemed appropriate by the CEO on a case-by-case basis, up to and including termination or removal for noncompliance. It is Health West’s goal that every Individual Affiliated with Health West understands the consequences of improper or non-compliant activities and is aware of the potential repercussions that may result from violation of this policy.

V. Your Role in the Compliance Program

Individuals Affiliated with Health West are expected to comply with Health West’s Compliance Program and Standards of Conduct, and its policies and procedures and are required to promptly report concerns regarding compliance with Health West’s Compliance Program and Standards of Conduct, and its policies and procedures or other laws, regulations or policies.

Such a report should normally be made initially through standard management channels, beginning with an immediate supervisor. As an alternative, Individuals Affiliated with Health West also may make such report to the Compliance Officer. For Board members, reports should be made directly to the Compliance Officer. All reports may be made confidentially, and even anonymously. Individuals Affiliated with Health West are expected to cooperate fully in the investigation of any potential non-compliance.

Reporting potential non-compliance and participating in Health West compliance activities are elements of the job performance of each Individual Affiliated with Health West and is a service to Health West.

Any Individual Affiliated with Health West who reports a compliance concern in good faith is protected by law from retaliation. Any Individual Affiliated with Health West who retaliates against another Individual Affiliated with Health West for his or her reporting of potential non-compliance or his or her participation in addressing potential non-compliance is subject to discipline by Health West. Additionally, any Individual Affiliated with Health West who makes intentionally false accusations regarding a compliance concern is subject to discipline by Health West.

This Compliance Program and Standards of Conduct shall be reviewed periodically and updated consistent with the requirements established by the Board of Directors, Health West’s senior management, Federal and State law and regulations, and applicable accrediting and review organizations.

THE “WHY” (Why was this created/changed? i.e., “Procedure updated to reflect current HRSA guidelines”)

Periodic review; updated to reflect current practice and HRSA guidelines. Removed links to forms that are now completed via Paycom to avoid confusion

COMPLIANCE MANDATED BY (HRSA 98-23, NCQA PCMH, Joint Commission, CMS, OSHA, etc.)

HRSA Section 330 of the Public Health Service Act (42 U.S.C. § 254b)
Program Requirement #13 – Conflict of Interest Section 330(a)(1) and 330(k)(3)(D) of the PHS Act; 42 CFR 51c.1133 and 42 CFR 56.114; and 45 CFR 75.327
Program Requirement #19 – Board Authority Section 330(k)(3)(H) of the PHS Act; 42 CFR 51c.303(i), 42 CFR 56.303(i), 42 CFR 51c.304(d), and 42 CFR 56.304(d); and 45 CFR 75.507(b)(2)

ATTACHMENTS, REFERENCES, AND RELATED DOCUMENTS
(form; QI committee 4/10, internal audit 10/09; list title and electronic file name)

Forms mentioned in this policy are found and maintained in Paycom