MASONICARE’S CODE OF CONDUCT

Masonicare

An Ageless Commitment to Caring
Our Principles of Ethics, Integrity and Compliance
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Purpose

The Code of Conduct is a critical component of Masonicare’s overall Compliance Program. It was developed to promote awareness of and compliance with our ethical standards and applicable laws and regulations. To the extent that we live our values, we deliver an effective Compliance Program.
The Code of Conduct represents Masonicare’s commitment to compliance with all Federal and State standards and it emphasizes the importance of fraud and abuse prevention. The Code is our public pledge to promote conformance with sound ethical standards and sets forth the basic principals which Masonicare and its subsidiaries, directors, officers, employees, independent contractors, agents and other individuals authorized to act on behalf of Masonicare must follow.

The cornerstone of Masonicare’s ethics and compliance program is the Code of Conduct. Simply stated, the Code represents and promotes an ethical and proper way of doing business. The Code is Masonicare’s fundamental statement describing its values and commitment to honest and ethical behavior.

The Code applies to and is distributed to all of Masonicare’s personnel and sets forth the general ethical standards applicable to all operational areas of our business.

On the following pages of the Code, you will find guidance for acting ethically, advice on how to reduce unethical and unlawful conduct, and you will find important instructions on how to address suspected compliance failures if and when you are faced with them.

In short, the Code deters wrongdoing and promotes:

- Honest and ethical conduct
- Full, fair, accurate, timely and understandable disclosure
- Compliance with applicable governmental laws, rules and regulations
- Prompt internal reporting of violations of The Code
- Accountability for adherence to the Code
- Non-retaliation for good faith reporting
Compliance Program

Under the direction of the Board of Trustees of Masonicare, Masonicare’s Compliance Program reaffirms the commitment of Masonicare to abide by high legal and ethical standards in connection with the delivery of health care services and in the operations of each Affiliate, including Corporate Services.
Corporate Compliance Program

Introduction

Compliance is the action or reality of cooperating with a law, rule or command. As providers of healthcare, we are required by our Federal and State government to comply with the laws that govern our scope of services. Laws are in place to set standards of behavior to protect individuals and to guide business practices. Masonicare’s Board of Trustees is committed to complying with these laws and expects each one of us to share in this responsibility.

At Masonicare you are expected to:
- Learn the rules
- Understand the rules
- Follow the rules
- Do the right thing
- And, if you are unsure or have questions, you are expected to ask.

Benefits of a strong Compliance Program
- Demonstrates our commitment to good corporate conduct
- Helps to identify and prevent criminal and unethical behavior
- Improves the quality of patient care
- Provides a system for personnel to report potential problems
- Drives immediate and appropriate corrective action
- Reduces exposure to civil damages and penalties, criminal sanctions, and administrative remedies, such as program exclusions

Refer to Policy COMPL0004 - Corporate Compliance Program’ for further details.
Corporate Compliance Program

Elements

We expect you to be familiar with our policies and procedures, along with the key individuals and groups responsible for Compliance oversight and enforcement activities at Masonicare. Our Compliance Program can be broken out into the following categories:

Policies and Procedures
- These must be written, available and known to all employees.
- They are everyday rules and processes that everyone including Employees, Board Members, Medical Staff and Volunteers must follow to be in compliance.

Governmental Guidance
- Our program follows the guidance of the Office of Inspector General (OIG), the law enforcement arm of the Department of Health and Human Services (HHS).
- HHS manages the Medicare and Medicaid programs and wants to protect the programs from fraud and abuse. Policy COMPL0015 - Reporting Compliance Violations Including Fraud, Waste and Abuse

Corporate Compliance Officer (CCO)
- Compliance Programs require a Compliance Officer’s oversight.
- Masonicare’s Corporate Compliance Officer is Tracey LeMay, CAO.
- The CCO also responds to reported concerns.

Code of Conduct (COC)
- It is the foundation of the Compliance Program and establishes the basis for our reputation.
- It contains the standards of ethical behavior that all employees, Board Members, Medical Staff and Volunteers are required to follow.
- It also includes Masonicare's Mission and Values.

The Corporate Compliance Committee (CCC)
- The CCC consists of department heads from all affiliates across Masonicare.
- The CCC meets regularly to discuss matters of compliance.
REPORT IT!
When something doesn’t seem right or if you are unsure if there is a problem, speak up! You may also notify your supervisor, another member of management, a Human Resources Representative, the Compliance Department or Masonicare’s Confidential Hotline number at 1-866-384-4225.

Employees are responsible for understanding our policies as they relate to Gifts and Gratuities and Non-Retaliation and Good Faith Reporting.

Our Gift policy (HR0044) states that ‘Masonicare employees may accept one gift per calendar year from any particular vendor, contractor, patient, resident, client or their family, if the gift is estimated to have a value of $50 or less. No cash gifts, gift certificates, gift cards, or gratuities are to be accepted at any time.’

Retaliation for reporting a concern in good faith is not tolerated at Masonicare. We uphold a strict Non-Retaliation Policy (COMPL0009), which states in part that ‘No employee shall be subject to any intimidation, threats, reprisals, coercion, harassment, discrimination or other retaliatory actions.’

Tracey LeMay, BSN
Masonicare’s Corporate Compliance Officer and Chief Administrative Officer
Dear Masonicare Employee:

It is a privilege to serve others. With this comes the responsibility to uphold our standards of behavior and to deliver our mission in a caring and compassionate manner. As employees, each of us is expected to follow Masonicare’s Code of Conduct, which is explained in detail on our intranet and in the Code of Conduct brochure. Please review it.

It’s also important to remember that there is a means to report violations, or suspected violations. Any concern should be brought to the attention of your supervisor or our Corporate Compliance Officer or by calling the confidential hotline, 866-384-4225.

Every interaction with a resident, patient, family, co-worker, volunteer or vendor is an opportunity to demonstrate your commitment to high ethical standards. In doing so, you truly support our mission. Thank you for all you do each and every day.

Jon-Paul Venoit

President & CEO
Honor Commitments

*Never Compromise Ethics*

**Our Mission**

The mission of Masonicare is to enhance quality of life of seniors through exceptional care.

**Our Vision**

Through an engaged workforce and committed leadership, Masonicare will continue its century-long focus on providing innovative, quality driven senior care services in the place seniors call home.

**Our Values**

*How we see ourselves*

Our work ethic is rooted in moral principles that reflect integrity, trust and personally responsible conduct.

*How we treat others*

We treat every person with dignity, respect, kindness and compassion.

*What we do every day*

We provide support and service with the utmost competence and quality to the highest professional standards.
Who to contact with Questions or Concerns?

When faced with a potential ethical issue, it may help to ask these questions:
- Could this harm the reputation of the company?
- Am I certain my actions are legal?
- Am I being fair and honest?
- How will my actions appear in hindsight?
- How will the situation be described in a newspaper headline?
- Will I sleep soundly tonight?
- What would I counsel an employee to do?

<table>
<thead>
<tr>
<th>Contact</th>
<th>Description</th>
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<tbody>
<tr>
<td>Your Manager</td>
<td>Often your first contact for workplace issues.</td>
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<tr>
<td>Human Resources</td>
<td>Your contact for issues or guidance on employment, personnel, questions or benefits matters.</td>
</tr>
<tr>
<td>(203) 679-5113</td>
<td></td>
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<tr>
<td>Compliance Hotline</td>
<td>Your contact for anonymous reporting of concerns, violations or workplace misconduct.</td>
</tr>
<tr>
<td>(866) 384-4225</td>
<td></td>
</tr>
<tr>
<td>Privacy and Security</td>
<td>Your contact for HIPAA-related issues such as data breaches, rules and guidelines.</td>
</tr>
<tr>
<td>(203) 679-6506</td>
<td></td>
</tr>
<tr>
<td>Corporate Compliance</td>
<td>Your contact for compliance-related questions, guidance or reporting.</td>
</tr>
<tr>
<td>(203) 678-7867</td>
<td></td>
</tr>
<tr>
<td>Risk Management</td>
<td>Your contact for Workers Compensation and safety concerns, violations, incidents or reporting.</td>
</tr>
<tr>
<td>(203) 678-7869</td>
<td></td>
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</tbody>
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Masonicare

and its affiliates

Masonicare at Ashlar Village
Masonicare at Chester Village
Masonicare At Home
Masonicare at Mystic
Masonicare Health Center
Masonicare Home Health and Hospice
Masonicare Partners Home Health and Hospice
Masonic Management Services
The Masonic Charity Foundation of Connecticut
Quality of Patient Care

We are committed to providing quality care that is sensitive, compassionate, promptly delivered, and cost-effective. It is our responsibility to ensure that all patients have equal access to care and are treated with dignity, respect, and courtesy.
Quality of Patient Care

**Resident & Patient Rights**

We make no distinction in the admission, transfer, or discharge of residents and patients or in the care we provide to our patients and residents based on sex, race, color, religious creed, national origin, age, physical disability, veteran status, marital or civil union status, intellectual disability or sexual orientation, except as permitted by law. Upon admission, residents and patients receive a written statement which outlines resident and patient rights. Residents and patients are entitled to make decisions regarding their medical care. We assure residents and patients are involved in all aspects of their treatment.

Upon admission, residents and patients or their representatives receive a patient care plan. Patient care plans provide information to its recipients which may include diagnosis, treatment plan, right to refuse or accept care, care decision dilemmas, advance directive options, estimates of treatment costs and an explanation of the risks and benefits associated with available treatment options. Residents and patients have the right to request transfers to other facilities. In such cases, residents and patients also receive an explanation of the benefits, risks, and alternatives. Residents and patients are informed of their right to make advance directives; which Masonicare is committed to honor. All residents and patients are accorded appropriate confidentiality, privacy, security, protective services and pastoral counseling.

It is Masonicare’s priority to treat its residents and patients in a manner which preserves their dignity, autonomy, self-esteem and civil rights and to promote their involvement in their healthcare decisions. Compassion and care are part of our commitment to the communities we preserve. In furtherance of our commitment, we provide health education, health promotion and illness-prevention programs to improve the quality of life of our residents and patients who reside in our communities.
Resident and Patient Information

It is imperative that we collect personal health information from our residents and patients which includes information regarding medical condition, history, medication, and family illnesses so that we may deliver quality care services. We fully comply with the Health Insurance Portability and Accountability Act (HIPAA). HIPAA requires strict confidentiality regarding patients’ and residents’ protected health information (PHI) and limits access to this information in order to protect confidentiality. We realize the sensitive nature of PHI, and we are committed to maintaining its confidentiality.

Masonicare employees must never disclose confidential information that would result in a violation of our residents’ and patients’ rights to privacy. Masonicare employees, affiliated physicians, or other healthcare partners do not have the right to access any resident or patient information, other than that which is minimally necessary to perform his or her job. Residents and patients can expect that their privacy will be protected and that resident and patient-specific information will be released only to persons authorized by law or by and through appropriate written consent.
Commitment of Compassion and Care
Safe Working Environment

All members of the Masonicare community are entitled to a safe working environment in which each employee can reach his or her potential and be treated fairly and with respect.
Diversity & Equal Employment Opportunity

Our employees provide us with a wide complement of talents, which contribute greatly to our success. We are committed to providing an equal opportunity work environment where everyone is treated with fairness, dignity and respect. We will comply with all laws, regulations and policies related to non-discrimination in all of our personnel actions. Such actions include hiring, staff reductions, transfers, terminations, evaluations, recruiting, compensation, corrective action, discipline and promotions. No one shall discriminate against any individual with a disability with respect to any offer or term or condition of employment. We will make reasonable accommodations to the known physical and mental limitations of otherwise qualified individuals with disabilities.
Harassment & Workplace Violence

Each Masonicare employee has the right to work in an environment free of harassment. We will not tolerate harassment by anyone based on the diverse characteristics, sexual orientation, or cultural backgrounds of those who work with us. Degrading or humiliating jokes, slurs, intimidation or other harassing conduct is not acceptable in our workplace. Any form of sexual harassment is strictly prohibited. This prohibition includes unwelcome sexual advances or requests for sexual favors in conjunction with employment decisions. Moreover, verbal or physical conduct of a sexual nature that interferes with an individual's work performance or creates an intimidating, hostile or offensive work environment has no place at Masonicare.

Harassment also includes incidents of workplace violence. Violent behavior of any kind or threats of violence, either implied or direct, are prohibited on Masonicare properties or at Masonicare sponsored events. Workplace violence is behavior in which an employee, former employee, visitor or vendor inflicts, or threatens to inflict, damage to property, serious harm, injury or death to others at the workplace. This shall include all threats made by electronic media, voicemail and email, physical violence which may or may not inflict harm and may or may not have malicious intent, robbery and other commercial crimes, stalking cases, violence directed at the employer, terrorism, hate crimes committed by current or former employees and remarks of a threatening nature. As part of our commitment to a safe workplace for our employees, we prohibit employees from possessing firearms, other weapons, explosive devices or other dangerous materials within Masonicare premises.

Employees who observe or experience any form of harassment or violence should report the incident to their supervisor, the Human Resources Department, a member of management, the Corporate Compliance Department or Masonicare's Confidential Hotline at 1-866-384-4225. Masonicare will not tolerate retaliation in any form towards employees who report an incident of workplace harassment or violence. Retaliation against another employee may result in immediate termination of employment.
Environmental Compliance

It is our policy to comply with all environmental laws and regulations as they relate to our organization's operations. We will act to preserve our natural resources to the fullest extent reasonably possible. We will comply with all environmental laws and operate each of our facilities with the necessary permits, approval and controls. We will diligently employ the proper procedures with respect to handling and disposing hazardous and bio-hazardous waste, including but not limited to, medical waste.

In helping Masonicare comply with these laws and regulations, we must understand how job duties may impact the environment, adhere to all requirements for the proper handling of hazardous materials and immediately alert our supervisors to any situation regarding the discharge of a hazardous substance, improper disposal of medical waste or any situation which may be potentially damaging to the environment.

Health & Safety

Masonicare facilities must comply with all government regulations and rules and with Masonicare policies or required facility practices that promote the protection of workplace health and safety. Our policies have been developed to protect you from potential workplace hazards. You should become familiar with and understand how these policies apply to your specific job responsibilities and seek advice from your supervisor or the Safety Committee whenever you have a question or concern. It is important for you to advise your supervisor or the Safety Officer of any serious workplace injury or any situation presenting a danger of injury so that timely corrective action may be taken to resolve the issue.
**Safe Working Environment**

**Substance Abuse & Mental Acuity**

The possession, consumption, sale, gift, exchange, use or being under the influence of un-prescribed, illegal substances and/or alcohol on Masonicare’s property is prohibited and may result in immediate termination. To protect the interests of our employees and residents and patients, we are committed to an alcohol-free and drug-free work environment. All employees must report for work free of the influence of alcohol and illegal drugs. We may use drug testing as a means of enforcing this policy.

It is also recognized that individuals may be taking prescription drugs, which could impair judgment or other skills required in job performance. If you have questions about the effect of such medication on your performance speak with your supervisor.

**Controlled Substances**

Some of our employees routinely have access to prescription drugs, controlled substance, and other medical supplies. Many of these substances are governed and monitored by specific regulatory organizations and must be administered by physician order only. It is extremely important that these items be handled properly and only by authorized individuals to minimize risks to us and to our residents and patients. If you become aware of the diversion of drugs from the organization, you should report the incident immediately.

**Smoke Free Workplace**

In keeping with the Masonicare mission of enhancing the quality of life of our residents and patients, as well as promoting the health and well-being of our employees, Masonicare is committed to providing a smoke free work environment at all Masonicare affiliates.
High Legal & Ethical Standards
Lawful & Regulatory Compliance

We will make proper use of all Masonicare resources, including funds, materials, supplies, equipment, electronic mail, voice mail, internet access, employee time and information.
Lawful and Regulatory Compliance

Federal, State & Local Laws

Masonicare provides a variety of healthcare services which are governed by Federal, State, and local laws and regulations. Failure to comply with applicable laws and regulations may result in the exclusion from the Medicaid and Medicare Programs.

It is of paramount importance to Masonicare that we comply with all applicable laws and regulations. Employees, medical staff members, contract service providers and vendors must comply with all laws and regulations. We ask that any violations or suspected violations be immediately reported to a supervisor, to a member of management, to Masonicare’s Corporate Compliance Department or to Masonicare's confidential hotline at 1-866-384-4225. It is Masonicare policy to address all billing concerns and to respond to inquiries by providing complete, factual and accurate information in a timely manner.

In the event of a government inspection, we ask that you never conceal, destroy or alter documents, lie or make misleading statements to government representatives. Always provide accurate information and never obstruct, mislead or delay communication of information and records relating to a possible violation of the law.

The Department of Health and Human Services, and particularly its Inspector General, has routinely notified healthcare providers of areas in which government representatives believe that insufficient attention is being accorded government regulations. In the face of such guidance, managers and supervisors should be diligent about reviewing these elements of our system to ensure their correctness. Masonicare provides its employees with the information and education they need to comply with all applicable laws and regulations.
Lawful and Regulatory Compliance

License & Certification Renewals

Employees and individuals retained as independent contractors in positions which require professional licenses, certification, or other credentials are responsible for maintaining the current status of their credentials and shall comply at all times with Federal and State requirements applicable to their respective disciplines. To assure compliance, Masonicare may require evidence of the individual’s current license or credential status. Masonicare will not allow any employee or independent contractor to work without valid, current licenses or credentials.

Accuracy, Retention & Disposal of Documents & Records

Each Masonicare employee is responsible for the integrity, accuracy and completeness of our organization’s documents and records, not only to comply with regulatory and legal requirements but also to ensure that records are available to defend our business practices and actions. No one may alter or falsify information on any record or document.

Medical and business documents and records are retained in accordance with the law and our record retention policy. Medical and business documents include paper documents such as letters and memos, computer-based information such as email or 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 our policy. You must not tamper with records, nor remove or destroy them prior to the specified date.
Lawful and Regulatory Compliance

Copyrights

Masonicare employees may only make copies of copyrighted materials pursuant to the organization’s policy on such matters.

Dealing with Accrediting Bodies

Masonicare will deal with all accrediting bodies in a direct, open and honest manner. No action should ever be taken in relationships with accrediting bodies that would mislead the accreditor or its survey teams, either directly or indirectly.

The scope of matters related to the accreditation of various bodies is broad and significantly greater than the scope of this Code of Conduct. Where Masonicare determines to seek any form of accreditation, all standards of the accrediting group are important and must be followed.

Acknowledgement Process

Masonicare requires all employees to sign an acknowledgement confirming that they have received the Code and understand that it represents mandatory policies of Masonicare. New employees will be required to sign this acknowledgement as a condition of employment. Adherence to and support of Masonicare's Code of Conduct and participation in related activities and training will be considered in decisions regarding hiring, promotion, and compensation for all candidates and employees.
Ethical Compliance Reporting

We are obligated to report knowledge or suspicions of violations of the law or Code. No retaliation will be tolerated by any member of the Masonicare community against any persons reporting in good faith.
Resources for Guidance & Reporting Violations

To obtain guidance on an ethics or compliance issue or to report a suspected violation, Masonicare employees may choose from several options. We encourage the resolution of issues at a local level whenever possible. It is an expected good practice, when you are comfortable with it and think it appropriate under the circumstances, to raise concerns first with your supervisor. If this is uncomfortable or inappropriate, another option is to discuss the situation with another member of management or in your organization. You can always contact Masonicare's Corporate Compliance Department or the confidential hotline, at 1-866-384-4225. Masonicare will make every effort to maintain, within the limits of the law, the confidentiality of the identity of any individual who reports possible misconduct. There will be no retaliation or discipline for anyone who reports a possible violation in good faith. Any employee who deliberately makes a false accusation with the purpose of harming or retaliating against another employee will be subject to disciplinary action.
Internal Investigations of Reports

We are committed to investigating all reported concerns promptly and confidentially to the extent possible. The Corporate Compliance Department will coordinate any findings from the investigations and immediately recommend corrective action or changes that need to be made. We expect all employees to cooperate with the investigation efforts.

Elder Justice Act

Masonicare is committed to safeguarding its residents and patients from acts of mistreatment, neglect, abuse, abandonment and involuntary seclusion and from acts resulting in the misappropriation of property. Masonicare shall comply with its policies and State and Federal reporting guidelines under the Elder Justice Act, as established under the Patient Protection and Affordable Care Act.

Corrective Action

When an internal investigation substantiates a reported violation, it is Masonicare policy to initiate corrective action, including, as appropriate, making prompt repayment of any overpayment amounts, notifying the appropriate governmental agency, instituting whatever disciplinary action is necessary, and implementing systematic changes to prevent a similar violation from recurring in the future at any Masonicare facility.

Confidential Hotline

The confidential hotline is staffed and managed by a company that is not affiliated with Masonicare. No call tracing or recording devices are ever used, and, if you wish, you may remain completely anonymous.
The confidential hotline is one way to report a concern.

It is a confidential, toll free, 24 hours-a-day, 7 days-a-week, 365 days-a-year, resource available to anyone wishing to report a compliance concern.

1-866-384-4225
Financial Reporting and Assets

We will submit claims in accordance with all applicable requirements. We will maintain confidential business information including financial compensation.
Financial Obligations

We have established and maintained a high standard of accuracy and completeness in the documentation and reporting of all financial records. These records serve as a basis for managing our business and are important in meeting our obligations to residents, patients, employees, vendors and others. They are also necessary for compliance with tax and financial reporting requirements. All financial information must reflect actual transactions and conform to generally accepted accounting principles. No undisclosed or unrecorded funds or assets may be established. Masonicare maintains a system of internal controls to provide reasonable assurances that all transactions are executed in accordance with management’s authorization and are recorded in a proper manner so as to maintain accountability of the organization’s assets.

Cost Reports

Our business involves reimbursement under government programs, which require the submission of certain reports of our costs of operation. We will comply with Federal and State laws relating to all cost reports including submitting accurate cost reports based on adequate documentation that is auditable and verifiable. These laws and regulations define what costs are allowable and outline the appropriate methodologies to claim reimbursement for the cost of services provided to program beneficiaries. Masonicare is committed to preparing and submitting accurate cost reports. Given their complexity, all issues related to the completion and settlement of cost reports must be communicated through or coordinated with Masonicare’s Chief Financial Officer or his designee.
Personal Use of Masonicare Resources

It is our responsibility to preserve our organization's assets including time, materials, supplies, equipment, and information. Our organization’s assets are to be maintained for business-related purposes. As a general rule, the personal use of any Masonicare asset without prior approval of your supervisor is prohibited. The occasional use of items, such as copying facilities or telephones, where the cost to Masonicare is insignificant, is permissible. Your supervisor must approve any community or charitable use of organization resources in advance. Any use of our organization’s resources for personal financial gain unrelated to Masonicare's business is prohibited.

Tax Exempt Status

We are committed to using Masonicare’s resources wisely in furtherance of the Mission, Vision and Values established under the auspices of the Masonic Family. Our efforts are directed solely for the benefit of the community we serve and not for the benefit of any individual or outside organization. Masonicare’s tax-exempt affiliates will perform all activities in a manner consistent with the organization’s tax-exempt purpose and policies.
Financial Reporting and Assets

Third-Party Payors
We will take great care to assure that all billings to government and to private insurance payors reflect truth and accuracy and conform to all pertinent Federal and State laws and regulations. We prohibit any employee or agent of Masonicare from knowingly presenting or causing to be presented claims for payment or approval that are false, fictitious or fraudulent. We will operate oversight systems designed to verify that claims are submitted only for services actually provided and that services are billed as provided. These systems will emphasize the critical nature of complete and accurate documentation of services provided. As part of our documentation effort, we will maintain current and accurate medical records. Any subcontractors engaged to perform billing or coding services must have the necessary skills, quality assurance processes, systems and appropriate procedures to ensure that all billings for government and commercial insurance programs are accurate and complete. Third-party billing entities, contractors and preferred vendors whom we consider must be approved consistent with the corporate policy on this subject.

Audit & Other Monitoring
Masonicare is committed to self-monitoring its compliance with its policies. The relevant departments audit and monitor themselves relative to issues of regulatory and compliance significance. The organization also routinely seeks other means of ensuring and demonstrating compliance with laws, regulations, and Masonicare policy.
Ethical Business Relationships

We are dedicated to developing business relationships which are fair to both parties and based on merit. We will avoid conduct which has even the appearance of conflict between personal interests and those of Masonicare.
Proprietary Information

Confidential information about our organization’s strategies and operations is a valuable asset. Although you may use confidential information to perform your job, it must not be shared with others outside of your department or outside of Masonicare unless the individuals have a legitimate need to know this information and have agreed to maintain the confidentiality of the information.

**Definition.** Confidential information includes personnel data maintained by the organization, resident and patient lists and clinical information, pricing and cost data, information pertaining to acquisitions, affiliations and mergers, financial data, research data, strategic plans, marketing strategies, techniques, employee, supplier and subcontractor information, and proprietary computer software. This provision does not restrict the right of a employee to disclose, if he or she wishes, information about his or her own compensation, benefits or terms or conditions of employment.

**Competitors.** Be alert to potential situations where it may not be appropriate for you to participate in discussions regarding prohibited subjects with our competitors. Prohibited subjects include any aspect of pricing, our services in the market, key costs such as labor costs, and marketing plans. If a competitor raises a prohibited subject, end the conversation immediately. Document your refusal to participate in the conversation by requesting that your objection be reflected in the meeting minutes and notify the Corporate Compliance Department of the incident. In general, avoid discussing sensitive topics with competitors or suppliers.

**Antitrust Considerations.** We need to be aware that by discussing Masonicare business with a competitor, such as how our prices are set, disclosing the terms of supplier relationships, allocating markets among competitors, or agreeing with a competitor to refuse to deal with a supplier, we could be violating antitrust laws. These laws are designed to create a level playing field in the marketplace and to promote fair competition. Our competitors are other health systems and facilities in markets where we operate. You must also not provide any information in response to oral or written inquiry concerning an antitrust matter without first consulting with the Corporate Compliance Officer.
Ethical Business Relationships

Appropriate Business Decisions

**Good business practices.** We manage our subcontractor and supplier relationships in a fair and reasonable manner. We will not be influenced by improper motives nor tolerate any kickback activity. We promote competitive procurement to the maximum extent practicable. Our selection of subcontractors, suppliers, and vendors are made on the basis of objective criteria including quality, technical excellence, price, delivery, adherence to schedules and maintenance of adequate sources of supply. Our purchasing decisions are made based on the supplier's ability to meet our needs and not on personal relationships and friendships. We always employ the highest ethical standards in business practices in source selection, negotiation, determination of contract awards, and the administration of all purchasing activities. All relationships with educational institutions must be entered through written agreements that define both parties' roles and the affiliate's retention of the responsibility for the quality of resident and patient care.

**Conflicts and dualities of interest.** A conflict or duality of interest may occur if your outside activities or personal interests influence, or appear to influence, your ability to make objective decisions in the course of fulfilling your job responsibilities. A conflict or duality of interest may also exist if the demands of any outside activities hinder or distract you from the performance of your job and cause you to use Masonicare resources for other than Masonicare purposes. It is your obligation to ensure that you remain free from conflicts or dualities of interest, or even the appearance of such, in the performance of your responsibilities at Masonicare. If you have any questions about whether an outside activity might constitute a conflict or duality of interest, you must first obtain the approval of your supervisor before pursuing the activity.

*Continued on next page*
**Ethical Business Relationships**

**Appropriate Business Decisions**

**Physician Arrangements.** Any business arrangement with a physician must be structured to ensure precise compliance with legal requirements. If you are contemplating entering into a relationship with a physician, contact the Corporate Compliance Officer for guidance.

**Referrals.** We do not pay or pay anyone—employees, physicians or other persons for referrals of residents and patients. We accept residents and patients for health care services and admissions based on their clinical needs and our ability to render the needed services. Similarly, when making resident and patient referrals to another healthcare provider, we do not take into account the volume or value of referrals that the provider has made (or may make) to us.

**Use of competitor information.** It is not unusual to obtain information about other organizations, including our competitors, through legal and ethical means such as public documents, public presentations, journal and magazine articles and other published and spoken information. However, it is not acceptable for you to obtain proprietary or confidential information about a competitor through illegal means. It is also not acceptable to seek proprietary or confidential information when doing so would require anyone to violate a contractual agreement, such as a confidentiality agreement with a prior employer.
Gifts, Gratuities & Business Courtesies

Exchanging Gifts Among Employees. No one should ever feel compelled to give a gift to anyone, and any gifts offered or received should be appropriate to the circumstances. A lavish gift to anyone in a supervisory role would clearly violate organization policy.

Fundraising. Participation in fundraising events is voluntary and no one should ever be made to feel compelled or obligated to participate in these or similar efforts.

Receiving Courtesies from a Business. As a Masonicare employee, you may accept gifts with a total value of $50.00 or less in any one year from any individual or organization who has a business relationship with Masonicare. For purposes of this paragraph, physicians who are practicing in Masonicare facilities and residents, patients and their families receiving services through Masonicare facilities are considered to have such a relationship. Perishable or consumable gifts given to a department or group are also subject to this monetary limitation. Food in excess of $50.00 should be returned to the vendor immediately. Under no circumstances may you solicit a gift.

Prior Approval. Invitations for training, social or entertainment events require the prior approval of the respective Senior Administrator, after consulting with the Corporate Compliance Officer. Costs associated with events must be reasonable and appropriate and exclude travel cost or overnight lodging expenses.

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Gifts, Gratuities & Business Courtesies

Extending Courtesies to Businesses. It is critical to avoid the appearance of impropriety when giving gifts to individuals (including physicians) who do business or are seeking to do business with Masonicare. We will never use gifts or other incentives to improperly influence relationships or business outcomes. Gifts to business associates must not exceed $50.00 per year per recipient. You may never give cash or cash equivalents, such as gift certificates. The corporate policy on business courtesies may from time to time provide modest flexibility in order to permit appropriate recognition of the efforts of those who have spent meaningful amounts of volunteer time on behalf of Masonicare.

Special Consideration for Government Officials. U.S. Federal and State governments have strict rules and laws regarding gifts, meals, and other business courtesies for their employees. Masonicare's policy is to not provide any gifts, entertainment, meals, or anything else of value to any employee of the Federal government, except for minor refreshments in connection with business discussions or promotional items with the Masonicare or affiliate logo valued at no more than $10.00. With regard to gifts, meals and other business courtesies involving any other category of government official or employee, you must determine the particular rules applying to any such person and carefully follow them.

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**Ethical Business Relationships**

**Gifts, Gratuities & Business Courtesies**

**Special Consideration for Extending Invitations to Social Events.** There may be times when a manager may wish to extend to a current or potential business associate (including physicians) an invitation to attend a social event in order to further or develop your business relationship. The purpose of the entertainment must never be to induce any favorable business action and cannot be made to anyone who may be in a position to make a resident and patient referral. During these events, topics of a business nature must be discussed and the host must be present. The cost associated with such an event must be reasonable and appropriate and the frequency not more than quarterly, preferably less often. If you anticipate an event will exceed the $50.00 guideline, you must obtain approval in advance as required by corporate policy. That policy requires a showing as to the business necessity and appropriateness of the proposed entertainment. The organization will under no circumstances sanction participation in any business entertainment that might be considered lavish.

Also, Masonicare facilities will routinely sponsor events with a legitimate business purpose. Provided that such events are for business purposes, reasonable and appropriate meals and entertainment may be offered. In addition, transportation and lodging can be paid. However, all elements of such events, including these courtesy elements, must be consistent with the corporate policy on such events.

Violation of this policy may have grave consequences for the organization and the individuals involved, including civil and criminal penalties, and possible expulsion from participation in the State and Federally funded healthcare programs.
Ethical Business Relationships

Research

We follow high ethical standards in any research conducted by our physicians and professional staff. We do not tolerate intentional research misconduct including intentional misrepresentation of data or processes.

All residents and patients asked to participate in research projects are given a full explanation of alternative services that might prove beneficial to them. They are also fully informed of potential discomforts and are given a full explanation of the risks, expected benefits, and alternatives. Refusal of a resident and patient to participate in a research study will not compromise their access to services.

Marketing and Advertising

We will present only truthful, fully informative, and non-deceptive information in these materials and announcements. Medicare and Medicaid regulations prohibit offers of all but the smallest gifts (pens, pads, doughnuts, etc) to our potential referrals or referral sources. Masonicare’s marketing initiatives are designed to comply fully with these regulations.
Political Activities & Contributions

Laws limit the organization's political participation. Masonicare funds or resources are not to be used to contribute to political campaigns or for gifts or payments to any political party or any of their affiliated organizations. Organizational resources include financial and non-financial donations, such as using work time and telephones to solicit for a political cause or candidate or the loaning of Masonicare property for use in the political campaign. The conduct of any political action committee is to be consistent with relevant laws and regulations.

Additionally, Masonicare senior management members who have contract signature authority, along with their spouses and dependent children, shall not make political contributions or solicitations for any candidate running for Statewide Office or the General Assembly without first contacting the Corporate Compliance Officer.

It is important to separate personal and corporate political activities, in order to comply with the appropriate rules and regulations relating to lobbying or attempting to influence government officials. You may, of course, participate in the political process on your own time and at your own expense. While you are doing so, it is important not to give the impression that you are speaking on behalf of or representing Masonicare in these activities. You cannot seek to be reimbursed by Masonicare for any personal contributions for such purposes.

At times, Masonicare may ask employees to make personal contact with government officials or to write letters to present our position on specific issues. In addition, it is part of the role of some Masonicare management to interface on a regular basis with government officials. If you are making these communications on behalf of the organization, be certain that you are familiar with any regulatory constraints and observe them.
**Associated Policies**

- Acceptance of Gifts and Gratuities
- Confidentiality
- Conflicts and Dualities of Interest
- Corporate Compliance Program
- Equal Employment Opportunity
- Non-Retaliation and Good Faith Reporting
- Political Contributions or Solicitations by Employees or their Spouses & Children
- Reporting Compliance Violations Including Fraud, Abuse and Waste
- Response to Employee Calls to Report Compliance Violations
- Sexual Harassment
- Smoke Free Workplace
- Social Media Communications
- Software Code of Ethics
- Substance Abuse
- Workplace Violence

We encourage you to visit Masonicare’s intranet site for a full listing of policies and procedures related to these topics.