



THIRD PARTY CODE OF CONDUCT

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Message

FROM THE
PRESIDENT

Dear Valued Vendor:

Blue Cross Blue Shield of North Dakota, including its affiliates and subsidiaries (collectively "BCBSND"), is committed to conducting business ethically, with integrity, and in compliance with applicable laws, regulations and contractual requirements. To have a culture that centers on ethical integrity, we need to put our values into action as we carry out our daily responsibilities. We expect the same commitment from all individuals, companies or others, working for, or on behalf of, BCBSND, directly or indirectly.

We value our Vendors and the role they play in the success of BCBSND. The BCBSND Third Party Code of Conduct ("Third Party Code") is designed to provide vendors with the general principles that should be followed when doing business with BCBSND. These principles are based on laws, regulations and BCBSND policies.

Please take the time to become familiar with the principles and requirements of the Third Party Code. Your commitment to making compliance and ethics a top priority as you work with BCBSND is appreciated.

While knowing what the Third Party Code requires is important, it is equally as important to figure out what is "right" in certain circumstances. And it's not always easy. If you should have any questions, please contact BCBSND Compliance at (701) 282-1100.

We regard our Vendors as a critical and necessary component in the success of our mission and operations. Thank you for your commitment to compliance and ethical integrity.

Sincerely,

A handwritten signature in black ink that reads "Dan Conrad". The signature is fluid and cursive.

Dan Conrad
President and Chief Executive Officer

Section 1

COMPLIANCE AND INTEGRITY

OUR VALUES

BCBSND's mission is to simplify healthcare, ensure affordability and elevate well-being. BCBSND's values are at the heart of how we operate to achieve our purpose and objectives. These values include:

- **Integrity:** We do the right thing.
- **Effective Collaboration:** We work together toward a common purpose.
- **Service Excellence:** We provide value through quality service.
- **Constant Innovation:** We seize opportunities to advance progressive change.
- **Responsible Stewardship:** We manage all resources entrusted to us with efficiency and care.
- **Enthusiasm:** We enjoy our work and have fun doing it.

BCBSND has an unwavering commitment to integrity in all that we do. By incorporating integrity as one of the Company's values, we aspire to maintain a culture that not only embraces the principle of doing the right thing, but also doing things the right way.

This Third Party Code applies to all individuals, companies or others, working for, or on behalf of, BCBSND, directly or indirectly, including vendors, suppliers, subcontractors, delegated entities, and first-tier, downstream and related entities (collectively "Vendors") and their employees, agents, contractors, consultants or contingent workers. The Third Party Code defines the principles which all Vendors are expected to follow when doing business with us.

LEGAL AND REGULATORY COMPLIANCE

BCBSND is subject to, and complies with, a wide variety of federal, state and local laws, as well as contractual, accreditation and licensing requirements. We expect our Vendors to comply with the laws, regulations and contractual obligations applicable to their respective business and when providing services to BCBSND. These laws may include, but are not limited to, the Patient Protection and Affordable Care Act (PPACA), the Health Insurance Portability & Accountability Act (HIPAA) Privacy Rules, HIPAA Security Rules, Medicare program (Part C and Part D), Medicaid, Health Insurance Marketplace/ Exchange program requirements, the Mental Health Parity and Addiction Equity Act (MHPAEA), and state insurance statutes and regulations.

In the event that BCBSND determines a Vendor has not performed satisfactorily the duties and obligations set forth in their contract with BCBSND, BCBSND shall have the right to revoke such duties and obligations and terminate their contract.

NONDISCRIMINATION IN HEALTH PROGRAMS

No individual may be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination on the basis of race, color, national origin, sex, sexual orientation, gender identity, disability or age by Vendor, its employees, officers, directors, agents, or subcontractors in the performance of any contract for BCBSND. As applicable, a Vendor shall comply and require its employees, officers, directors, agents, and subcontractors to comply with ACA Section 1557 (42 U.S.C. § 18116) and the implementing regulations issued by the U.S. Department of Health and Human Services, Office for Civil Rights (45 C.F.R. Part 92) in the performance of services under any contract with BCBSND.

TRAINING

BCBSND may require certain Vendors, including Vendor's employees, to complete trainings at any time during the vendor's contract period with BCBSND. These trainings may include, but are not limited to, compliance and privacy training, government program training, operational training and security training. Vendor, or Vendor's employees, must successfully complete these trainings within BCBSND's stated required dates. Failure to complete required trainings in a timely manner may result in Vendor, or Vendor's employee, losing access to BCBSND's systems or not being authorized to provide services to BCBSND.



Section 2

REPORTING YOUR CONCERNS

As a Vendor for BCBSND, you have a responsibility to report any issue or concern you believe, in good faith, may constitute noncompliance with any law or regulation in connection with work performed for BCBSND or violates this Third Party Code, whether such violations involve your employees or subcontractors or BCBSND employees or contractors.

You may report your concerns to BCBSND Compliance:

- 📞 By telephone at (701) 282-1100
- 👤 In-person
- ✉️ By email
compliance@bcbsnd.com

You also have the option to report anonymously using any of the following mechanisms:

- 📞 Compliance Hotline: 701-281-8601 or toll free at 1-888-264-2227
- 🖱️ Web Form
(www.whistleblowerservices.com/nmic)

NO RETALIATION POLICY

BCBSND maintains a No Retaliation Policy. Retaliation is any action that might discourage an employee, or a vendor doing business with BCBSND, from making or supporting a charge of wrongdoing or misconduct in the workplace.

Speak up immediately

if you see or suspect activity that may be a violation of BCBSND's Third Party Code or related policies, or a violation of a law, regulation or contractual requirement.

You ensure the continued success of BCBSND by making certain your actions support our culture and expecting the same of those around you. We encourage you to self-report if you suspect you've violated a law, regulation, contractual requirement, the Third Party Code or other BCBSND policies.



Section 3

CONFLICTS OF INTEREST

BCBSND is required to report annually and as they occur throughout the year, those personal interests which are or appear to be a conflict of interest in relation to BCBSND decisions and transactions.

Vendors must avoid any actual, or appearance of, conflicts of interest while doing business with BCBSND. To avoid a conflict of interest with BCBSND and its employees, the Vendor:

- May not deal with any BCBSND employee who has a financial interest in the Vendor, or whose immediate family members hold a financial interest in the Vendor. (This does not include an indirect ownership interest in a mutual fund or similar investment vehicle, where the employee does not make the investment decisions).
- Must not deal directly with any BCBSND employee who is an immediate family member of the Vendor's representative.
- Must disclose any material transaction or relationship that reasonably could be expected to give rise to a conflict of interest.

It is not possible to list every type of conflict of interest that may occur; however, when in doubt the Vendor should contact their BCBSND business contact or BCBSND Compliance with the facts of the situation so BCBSND can review the circumstances and determine if a conflict of interest exists. Conflicts of interest are common and can't always be avoided but they need to be disclosed, documented and effectively managed.

BUSINESS COURTESIES

Business courtesies offered to or received from individuals and entities with which BCBSND does business, or may do business, can create the appearance our business decisions are influenced by these business courtesies. Therefore, we must carefully evaluate the circumstances in which business courtesies are offered and received.

Vendors are asked to cooperate with BCBSND's policy regarding business courtesies and avoid offering gifts of cash or cash equivalents, such as non-merchant specific gift cards or gift certificates, to BCBSND employees.

Business courtesies of a nominal value (fair market value of \$100 or less) are generally acceptable, as long as they are infrequent and not seen to threaten our objectivity when making decisions. In addition, BCBSND employees are limited to no more than \$200 in nominal business courtesies annually from a single vendor.

Certain departments within BCBSND have stricter limits on acceptance of business courtesies. Gifts cannot exceed the fair market value of \$20 when the gift is related to work performed for Federal Employee Program, Medicare Advantage Program, Prescription Drug Plan, or Medicaid Managed Care Program.

KICKBACKS AND BRIBES

Under no circumstances is the Vendor allowed to offer or accept kickbacks or bribes for the purpose of wrongfully obtaining or retaining BCBSND business or any other favorable action. Kickbacks and bribes can take many forms and are not limited to direct cash payments or credits. These practices are not only unethical, but in many cases illegal.



Section 4

PROTECTING ASSETS AND INFORMATION

Confidential information is one of the most valuable assets entrusted to BCBSND. We have a responsibility to ensure our use and protection of this information meets the requirements established by federal and state laws which include but are not limited to Health Insurance Portability and Accountability Act (HIPAA), Health Information Technology for Economic and Clinical Health (HITECH) and the Privacy Act. Confidential information includes Protected Health Information (PHI)*, Personally Identifiable Information (PII), and other proprietary information of BCBSND's members, employees, vendors or customers.

Vendors are also required to safeguard the confidential information they may be exposed to while providing services to, or on behalf of, BCBSND. Vendors whose work requires the use and disclosure of PHI are considered Business Associates and are required to execute a Business Associate Agreement, as required under HIPAA.

Vendors with access to any proprietary or confidential BCBSND information such as product information or operating systems will be required to execute a confidentiality agreement.

In addition, Vendors must continue to protect confidential information even after they are no longer providing services for, or on behalf of, BCBSND.

ANTI-FRAUD COMMITMENT

Fraud, waste, and abuse may occur in many ways and involve:

- Provider and member claims
- Over- and under-utilization
- Misrepresentation of provider application information
- Misuse of corporate assets
- Making false statements to obtain payment for products or services
- Other types of fraud

BCBSND is committed to identifying, preventing, correcting, and reporting fraud, waste, and abuse. The efforts undertaken as part of these processes are collaborative in nature and involve training and education, internal controls (including automated claims system edits, monitoring, audits, and investigations), and more.

These steps protect BCBSND and the government from activities such as careless expenditures or abuse of resources. Externally, BCBSND may partner with a variety of agencies such as the North Dakota Insurance Department, Program Integrity Unit, Federal Employee Program, and law enforcement tasked with those investigative actions. This commitment helps protect BCBSND, it's members, and safeguards taxpayer dollars.

To report concerns, use the reporting mechanisms listed on page 4.

*<https://www.hipaajournal.com/what.is.protected.health.information/>

FRAUD, WASTE AND ABUSE ("FWA") PROGRAM

Activities of the Fraud, Waste and Abuse Program are consistent with applicable laws, regulations and government health care program requirements such as:

- The federal False Claims Act (FCA) which makes it a crime to knowingly and willingly make false statements or representations in connection with a claim submitted for reimbursement to a federal health care program. Under the FCA violators could be liable to the United States Government for a civil penalty of not less than \$12,537 and not more than \$26,076, plus 3 times the amount of damages which the Government sustains because of the act of that person.

The FCA prohibits employers from retaliating against employees who report fraud, waste or abuse to the government or who file a lawsuit on behalf of the government.

- The SIU, on behalf of the Company, has reporting requirements under N.D.C.C. § 26.1-02.1-06 and N.D.A.C. § 75-02-05-06. Reporting suspected fraudulent insurance acts. If you become aware of possible fraudulent insurance acts, please report it to SIU@bcbsnd.com or anonymously by calling the Fraud Hotline at 701-281-8610 or 1-877-537-2830 (Toll Free).

PUBLICITY

Vendors are not permitted to distribute advertising, press releases, or any other general public announcement regarding the services provided to BCBSND unless contractually allowed.

RECORDS RETENTION

Vendors must maintain accurate and complete records of all matters related to their business with BCBSND for the period of time required by applicable regulations, policies and contract provisions.

BCBSND requires Vendors to retain and make available records related to business with BCBSND in accordance with applicable laws, regulations and contract requirements. If a litigation matter, government investigation or audit is anticipated or underway, relevant records must not be destroyed until the matter is concluded. Record is defined as any and all electronic and paper records and anything recorded in any manner, including final copies, any non-identical copies, and memos, correspondence, notes (handwritten or otherwise), charts, graphs, presentations, calendars, telephone messages, reports, photographs, data compilations, voice mails, instant messages, and text messages.

BCBSND's Legal Department or the Vendor's BCBSND business contact will advise you of any document preservation or other requirements related to any lawsuit, audit or investigation.

PROHIBITION ON HUMAN TRAFFICKING

We prohibit trafficking of humans, including trafficking related activities. We have zero tolerance for violations of this policy.

Section 5

THE GOVERNMENT: A UNIQUE CUSTOMER

GOVERNMENT CONTRACTS

A vital part of BCBSND business is the work we do for the government. Like our other business, we are committed to conducting our government business with the highest degree of integrity and honesty. In addition, we must comply with applicable government contracting laws and regulations.

Vendors working directly or indirectly on government contracts (e.g. Medicare, Medicaid, Federal Employees Program, Prescription Drug Program, Medicare Advantage, the Affordable Care Act) on behalf of BCBSND, have a special obligation to know and comply with all the terms of the government contract. In addition, Vendors must not submit false or fraudulent claims for payment or make any false statements or representations. Vendors must cooperate fully with any government requests for information. Vendors must avoid offering or accepting entertainment or business courtesies to government personnel when prohibited by that personnel's agency regulations.

MEDICAID MANAGED CARE PROGRAM

BCBSND has a written agreement (Agreement) with the State of North Dakota for the operation and administration of the Medicaid Managed Care Program for North Dakota.

Under this Agreement, neither BCBSND nor any Subcontractors * (Material or General) shall, for the duration of the Managed Care Organization Contract have any interest that will conflict, as determined by the State of North Dakota, with the performance of services under the Managed Care Contract or that may otherwise be anti-competitive.

Additionally, any Material Subcontractors must be approved by the State of North Dakota. Subcontractor's operations under this program that includes Protected Health Information (PHI), must be conducted within the United States.

BCBSND Relationship Managers must oversee the performance of Subcontractors in accordance with the BCBSND Medicaid Subcontractor Oversight procedures.

Without limiting the generality of the foregoing, the State of North Dakota requires that neither BCBSND nor any Material Subcontractor have any financial, legal, contractual or other business interest in any entity performing BCBSND enrollment functions for the State of North Dakota, the enrollment broker and subcontractor(s), if any.

*Subcontractor: means an individual or entity that has a contract with BCBSND that relates directly or indirectly to the performance of BCBSND's obligations under its contract with the State of North Dakota. A Network Provider is not a Subcontractor by virtue of the Network Provider agreement with BCBSND.

DEALING WITH EXCLUDED OR INELIGIBLE PERSONS

Under federal government programs, BCBSND is prohibited by law from contracting or doing business with any person or entity that is currently debarred, suspended, under a cease or desist order, excluded, proposed for debarment or declared ineligible to perform work under any government contract or subcontract

BCBSND will not conduct business with any Vendor debarred, suspended, excluded or ineligible to participate under any government contract or subcontract, such as Medicare or Medicaid, or whose officers, directors or employees are excluded from participating under such government contracts or subcontracts.

Vendors are responsible for screening its employees who provide services to or on behalf of BCBSND to ensure that no entity or individual has been debarred or excluded or is otherwise ineligible for participation in federal health care programs (e.g., Medicare). Such screening must occur at the time of hire or contracting, and at least monthly thereafter.

ORGANIZATIONAL CONFLICTS OF INTEREST

An organizational conflict of interest (OCI) may occur when a private company provides two types of services to the Government that have conflicting interests or appear objectionable. In the healthcare industry, there is the potential of overlapping interests of vendors or contractors

in providing health care services, claims processing and fraud, waste and abuse review. For this reason, government agencies have developed strong OCI policies and rules which BCBSND, as an organization, must follow.

BCBSND thoroughly reviews current and potential vendors and contractors for organizational conflicts of interest to ensure we are free from any bias that may affect our professional judgment and that we do not have an unfair competitive advantage in the process of contracting with the federal government. BCBSND is guided by the principles listed under Subpart 9.5 of the Federal Acquisition Regulation and associated regulations from the Government Accountability Office and federal courts.

Vendors must disclose any possible OCI to their BCBSND business contact or the BCBSND Legal Department so that the conflict is identified and a plan is put in place to mitigate any actual or potential OCI.

Note:

This Third Party Code sets forth general principles with which Vendors must comply. More restrictive requirements may be set forth in the business agreement with BCBSND. In addition, this Third Party Code will be automatically amended to incorporate any change or modification of applicable state or federal law, regulation or standard as of the effective date of the change or modification.
