



Code of Business Conduct

Principles that Guide Us



Standards and Ethical Guidelines for Blue Cross and Blue Shield of Nebraska,
an independent licensee of the Blue Cross and Blue Shield Association.

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A Message from the Chief Executive Officer

Trust is an asset that can never be taken for granted. Without it, we would be unable to meet our customers' health care needs. Blue Cross and Blue Shield of Nebraska is, and always has been, successful because of our commitment to honesty and integrity. It's the only way we know how to do business.

To preserve the public's trust, we have developed a **Compliance and Ethics Program**. Our Compliance and Ethics Program establishes behavioral standards and monitors compliance with laws and regulations. It also provides a means for employees to ask questions or voice their concerns. In it, we pledge to not only to do what is legal, but to always do what is right.

The foundation of our Compliance and Ethics Program is the Blue Cross and Blue Shield of Nebraska **Code of Business Conduct**. The Principles outlined in our Code provide the basis for our everyday workplace behavior and provide us the tools we need in order to make honest and ethical decisions.

We are often faced with ethical questions at work. Our Compliance and Ethics department is here to provide guidance, discuss your concerns, and help you work through these issues. I encourage you to contact the Compliance and Ethics department when you are not sure how to handle a situation.

While our Code applies to directors, officers, management and employees, we hope that all Blue Cross and Blue Shield of Nebraska agents, business partners, vendors, contractors, and consultants understand the importance of our Code when doing business with our company.

In conclusion, our Code is only meaningful if used. That's why it's important to apply these Principles everyday and review them from time to time on your own. As you read our Code, always remember your job involves more than just health insurance. It involves trust.

A handwritten signature in black ink that reads "Steve Martin". The signature is fluid and cursive, written in a professional style.

Steve Martin
Chief Executive Officer

Introduction

Being known for honesty is one of BCBSNE's most valuable assets and it is up to each of us to maintain the public's trust.

Blue Cross and Blue Shield of Nebraska (BCBSNE)'s Code of Business Conduct (our "Code") and Core Values provide the foundation for our ethical business practices. Our Code applies to ALL of us (employees, management, officers, and our Board of Directors). It's important that you understand its principles because we hold ourselves to a high standard of behavior. We expect every person at BCBSNE to act with these standards in mind.

Determine how to respond in an ethical situation by asking yourself these questions:

- Will it hurt my reputation if my actions become known to my supervisor, coworkers, friends, and family?
- Would I be embarrassed if my actions were printed in a newspaper, on television or the Internet?
- Could my actions appear wrong to others, even if they are legal?

MISSION

To lead the way in patient-focused care.

VISION

A healthcare world without confusion that adds more good years to peoples' lives.

CORE VALUES

- Innovate to differentiate
- Invite change to create opportunity
- Enable customer passion
- Openly embrace our communities
- Be open, honest and respectful to inspire trust
- Collaborate to create excellence

CODE PRINCIPLES

- Shared Responsibility
- Safe and Respectful Workplace
- Honest and Fair Business Dealings
- Protect Assets and Information
- Compliance with Laws

1 Shared Responsibility

- We are all responsible for compliant and ethical behavior.
- Everyone has a duty to report.
- Non-retaliation is strictly enforced.

This principle reminds us that ethical business conduct is the responsibility of every BCBSNE employee. To maintain our reputation for honesty and fair dealing, it is important that we all help each other.

As a health insurer, we are subject to many legal requirements. In addition, we are committed to ethical standards which help us protect our reputation in the marketplace. Therefore, we must understand these obligations and follow them every day. Resources are available to enable you to ask questions, seek guidance and report instances of what you believe may be either unethical behavior or noncompliance with Human Resources (HR) laws.

Your manager and the HR department are available to discuss issues you may have in this regard.

Or, you may always reach out to the Compliance and Ethics department by phone, email or in person to discuss your questions, issues or concerns.

If you would like to anonymously report what you believe to be unethical behavior or noncompliance with laws, you may do so by calling the Compliance and Ethics Hotline at 1-877-258-3222.

All reports are taken seriously and will be investigated in accordance with BCBSNE policies and procedures. Remember that violations of our Code may result in corrective action up to and including termination of employment.

Your responsibilities under our Code:

- Follow our Code and BCBSNE policies.
- Ask if you don't know how to handle a situation.
- Report violations.
- Fully cooperate with inquiries and investigations.

Always Remember

Any employee making a good faith report will not be subject to corrective action. In addition, there will be no retribution for making a report. Anyone who engages in any form of retaliatory behavior will be subject to the full range of corrective action, up to and including termination.

Principle #1 Consider this:

Q: I want to report what I think is a violation of our Code of Business Conduct, but am not sure how to do this. I also want to remain anonymous. What should I do?

A: The BCBSNE Compliance and Ethics Hotline (1-877-258-3222) is not answered by anyone, but allows a caller to leave a message. It is not necessary for the caller to identify him or herself; however, enough information should be provided so that the Compliance and Ethics department may properly and fairly investigate and resolve the matter.

Note: Every report is investigated. However, if you make an anonymous report, the Compliance and Ethics department is unable to provide you with information regarding the status or resolution of the investigation. If you make an anonymous report, remember this and do not assume nothing was done in response to your report. In the alternative, if you think you would like to know the status and resolution of the investigation, we ask that you trust in the confidential nature of the Hotline and share your contact information when leaving your message.

Q: I think someone filed a false report against me with the Compliance and Ethics department. This doesn't seem fair. What should I do?

A: You should contact the Compliance and Ethics department. Any individual who knowingly makes a false report will be subject to corrective action, up to and including termination.

2 Safe and Respectful Workplace

- Respect and treat everyone equally and fairly.
- Value unique perspectives and viewpoints.
- Address harmful rumors and gossip.
- Protect the safety of our workplace, your coworkers, and guests.

Respect. Safety. Objectivity. Equality.

These key concepts affirm this principle. How we treat each other in our daily work is as important as how we treat our customers and business partners. We should remember that while clearly improper activities such as discrimination and harassment will not be tolerated, seemingly innocent behavior such as spreading gossip and rumors can cause distress and ill will among coworkers. If you observe these behaviors, remember your responsibility to report it to your manager, HR or the Compliance and Ethics department.

2. A – Discrimination and Harassment

Discrimination and harassment are forbidden at BCBSNE. BCBSNE will not allow discrimination of individuals based on race, religion, gender, sexual orientation, national origin, age, genetic information, disability, marital status or veteran status. BCBSNE will not allow harassment or sexual advances, actions, comments or any other conduct that creates a hostile or offensive atmosphere. This applies to all forms of communication including email, telephone, and facsimile transmission.

2. B – Violence

Any acts or threats of violence made by an employee against any other employee's life, well-being, family or property will not be allowed.

2. C – Substance Abuse

BCBSNE forbids the possession, use or distribution of illegal drugs or misuse of legal drugs on BCBSNE owned or leased property or while representing BCBSNE at any time.

Principle #2 Consider this:

- Q:** A coworker often makes “jokes” about certain ethnic groups. I find these “jokes” insulting and offensive, but I’m afraid to confront him/her. What should I do?
- A:** Your coworkers “jokes” directed at certain groups of people because of such characteristics as the color of their skin, the country of birth or their accent are examples of discrimination and harassment, which are forbidden at BCBSNE. You should report the incident to your manager, HR representative or the Compliance and Ethics department. If you wish to remain anonymous, you may call the Compliance and Ethics Hotline at 1-877-258-3222.

Please consult BCBSNE’s HR policies for more information regarding harassment, violence, and substance abuse.

3 Honest and Fair Business Dealings

- Treat everyone honestly and fairly.
- Avoid conflicts of interest.
- Don't give or receive gifts, courtesies, gratuities, and honorariums in exchange for favorable treatment or to secure business.

Your judgment and integrity are attributes that should never be seen as *for sale*. We must always avoid even the slightest appearance of this by disclosing relationships and the giving and receiving of business related gifts. If you and/or your family have personal or financial interests that conflict with those of BCBSNE, they must be reported and resolved.

3. A – Conflicts of Interest

You must avoid any situation where your personal relationships or activities could influence or appear to influence your actions.

If you or your immediate family member has an interest in or a relationship with any company that does business with or seeks to do business with BCBSNE, this may be a conflict of interest and must be disclosed.

In no event should you have an interest in or serve as a consultant, director, officer or employee of a direct competitor of BCBSNE.

Finally, you may not use your position or knowledge obtained at BCBSNE to secure personal or financial gain.

3. B – Gifts, Courtesies, Gratuities, and Honorariums

Gifts and Courtesies: You cannot ask for or accept gifts and business courtesies in exchange for favorable treatment or to secure business. Employees can accept a gift or courtesy of *nominal* value (advertising or promotional nature). You can also provide gifts, entertainment, meals, and other business courtesies of *nominal* value to customers and prospective business partners or others if there is a legitimate business purpose.

Note: Federal law strictly prohibits BCBSNE from providing meals or entertainment to Federal employees.

Vendor Sponsored Activities: You can accept meals, entertainment, and other business courtesies at a vendor's expense if the activity is a reasonable extension of a business relationship. You can attend a local workshop, seminar or training session at a vendor's expense. If the event is not local, you must get prior approval from the Compliance and Ethics department.

Bribes and kickbacks are not only unethical, but illegal to offer or accept. BCBSNE employees and their families must never accept inducements to either secure business (bribe) or to reward the securing of such business (kickback). In all cases, you should not offer or accept any gift which might give this impression.

Principle #3 Consider this:

Q: I work in Benefits as a claims auditor. My daughter is a physician and her clinic regularly bills BCBSNE for services. Occasionally, I review some of the services that she or her clinic delivered to one of our members. Is this wrong?

A: This would appear to be a conflict of interest. The relationship with your daughter should be disclosed on the annual Conflict of Interest Questionnaire distributed to all employees. Once this relationship is disclosed and evaluated, you would be advised that in order to remove the conflict, you should not review any bills submitted by your daughter or her clinic.

3 Honest and Fair Business Dealings (cont.)

- Treat everyone honestly and fairly.
- Avoid conflicts of interest.
- Don't give or receive gifts, courtesies, gratuities, and honorariums in exchange for favorable treatment or to secure business.

Principle #3 Consider this:

- Q:** One of our vendors has offered me an all-expenses paid trip to Denver to attend and participate in a panel discussion at a conference they are sponsoring. The subject matter of the conference directly relates to my job duties. Can I accept this vendor's offer?
- A:** No, you should not accept the vendor's offer to pay for your travel expenses. This would be considered an honorarium and could be perceived as a conflict of interest. However, it appears that there is a legitimate business purpose for attending the event so you should ask your manager if BCBSNE will pay for the expenses.
- Q:** This year my department notified vendors of the date of our holiday party so the vendor could donate food and prizes. Is this OK?
- A:** No, you are only allowed to accept gifts or courtesies of a nominal value. The types of donations you describe do not appear to be of nominal value. Furthermore, you cannot ask for or accept gifts or business courtesies in exchange for favorable treatment or to secure business. By notifying the vendors of your event and accepting their donations, you may be giving the vendor the impression that the donations are being accepted in exchange for favorable treatment of that vendor or to secure business with that vendor.

Prizes: Prizes that are offered without cost and awarded by chance (e.g., random drawings) are not considered business courtesies and may be accepted; however, those of more than nominal value must be reported to the Corporate Compliance Officer on the annual Conflict of Interest Questionnaire and Disclosure Statement.

Honorariums: You should not accept a payment, such as cash or gifts, travel and lodging expense, for speaking engagements and participation in a panel and/or focus work group on behalf of BCBSNE. This is called an honorarium and could be perceived as a conflict of interest. If there is a legitimate benefit to BCBSNE for you to attend the event, BCBSNE will pay for the traveling expense.

3. C – Fair and Ethical Competition

BCBSNE is committed to ethical professionalism. We treat employees, customers, business partners, and competitors in a fair and honest manner. You must never discuss or be involved in a discussion that includes the following activities:

- Price Fixing – collaborating with a competitor to decide what to charge for a product.
- Unfair or Deceptive Advertising – advertising which is untruthful or misleading.
- Group Boycotts – agreeing with competitors to refuse to deal with particular vendors.
- Customer or Market Allocations – agreements to allocate the market for our goods and services among ourselves and our competitors.

You must not ask for or obtain information about our competitors in a manner that would be illegal or would require a person to violate a contractual agreement, such as a confidentiality agreement with a prior employer.

All information given to our customers and community about our products and services must be truthful and accurate. You must not misrepresent material facts, conceal information or engage in any other unfair business practice.

4 Protect Assets and Information

- Loss, theft or misuse of company assets and information can harm our customers, our business operations, and our reputation. It is not only unethical, but could be criminal.

Company assets take many forms and confidential information comes to us in a wide variety of formats. We must be good stewards of all assets and ensure all of our information is properly used, shared, stored, and destroyed.

4. A – Information

BCBSNE maintains three classes of information, with levels of security applied to each to keep the information confidential.

Proprietary Information is information that BCBSNE owns. You may not use or disclose BCBSNE proprietary information outside of the company except for a legitimate business purpose. This information must not be disclosed, even if your employment has ended with BCBSNE. Some examples of proprietary information include customer lists, financial information, and strategic planning documents.

Protected Information is information owned by BCBSNE and includes the Protected Health Information (PHI) of our members. The Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health (HITECH) Act prohibit improper uses and disclosures of PHI. It is critical that you follow BCBSNE's privacy policies and procedures at all times. Any use or disclosure of PHI is subject to potential civil and/or criminal fines and penalties. Some examples of protected information beyond PHI includes employment records, passwords and access codes, and all contracts.

Privileged Information is available only on a "need to know" basis to selected members of the workforce. If privileged information is compromised, there could be severe financial, legal, regulatory or reputation damage to our customers, vendors, business partners, employees, and our business operations. Some examples of privileged information include audit findings, legal work products, and intellectual property including system source codes and software.

Principle #4 Consider this:

- Q:** My sister asked me to look up one of her claims because her provider notified her that it has not been paid. I have access to the necessary systems and I want to help her. Also, I want to look up a few of my own claims that I have questions about. Can I do this?
- A:** No. You must never access PHI unless such access is authorized for a valid business purpose (specifically related to or required by your job) or required by law. You must never access claims or other PHI relating to friends, family members or those with whom you have a personal relationship. You should advise your sister to follow normal business process by contacting Customer Service or accessing the Member Portal for information on her claim. Furthermore, you must not access your own information. If you need information relating to your own health coverage, you must follow normal business process by contacting Customer Service or by accessing the Member Portal.

4 Protect Assets and Information (cont.)

- Loss, theft or misuse of company assets and information can harm our customers, our business operations, and our reputation. It is not only unethical, but could be criminal.

4. B – Other BCBSNE Assets

You are expected to use company assets for business purposes. Computer, Internet access, and other equipment along with supplies and your time at work are assets of BCBSNE. BCBSNE may not –directly or indirectly – extend, maintain or arrange for the extension of credit, or renewing an extension of credit in the form of a personal loan to or for any director, officer or employee of BCBSNE, except travel advances provided pursuant to company policy.

Intellectual Property: BCBSNE owns all intellectual property that you develop or create for BCBSNE either on your own or with another person, while employed by or contracted with us.

Software Licenses: Most computer software is protected by copyright laws and purchase agreements that protect the software manufacturer's investment in creating the software. You should always comply with the license agreements that govern the use of software purchased by BCBSNE.

4. C – Records and Information Management

It is the responsibility of all of us to follow the Records and Information Management (RIM) program. This program addresses the maintenance, retention, protection, and destruction of company records in accordance with legal requirements, regulations, and business practices.

4. D – Truthful and Accurate Reporting

All of us have a responsibility to ensure that all information recorded and reported is truthful and accurate. This includes the correct reporting of time worked, business expenses, performance data, and any other business related activities. The alteration and/or falsification of any information in any record or document or attempt to influence, coerce, manipulate or mislead any independent certified public accountant during an audit is prohibited.

It is a felony to knowingly make false claims or statements to the Federal government. This type of conduct may subject BCBSNE and you to civil and criminal sanctions including fines, prison and suspension or disbarment from Federal contracting. It is essential that you take any and all steps necessary to ensure that you do not assist with, make or transmit any false claims, statements or certifications.

5 Compliance and Laws

- BCBSNE is a highly regulated business.
- Our license status demands complying with Association mandates and requirements.
- We are a State and Federal contractor.

Ethical business practices require that we comply with all laws, regulations, and standards. These may be Federal laws, State laws or various industry and Blue Cross and Blue Shield Association (BCBSA) standards. Resources and assistance is available to assist in this compliance objective.

5. A – Laws, Regulations and Standards

It is everyone's responsibility to follow the applicable State and Federal laws and regulations that impact BCBSNE. We must also comply with Blue Cross and Blue Shield Association requirements as well as those created by accreditation, licensing, and oversight bodies. All employees must adhere to our own policies, processes, and procedures.

Principle #5 Consider this:

- Q:** If I become aware of a new law that may affect BCBSNE, what should I do?
- A:** Please advise (phone or email) the Compliance and Ethics department or leave a message on the Compliance and Ethics Hotline about the new requirement. You may also tell your manager, who will contact us.
- Q:** I think we are doing something in my department that is in violation of the law. Should I report this to someone?
- A:** Yes, as stated in the Code of Business Conduct you have a duty to report violations. If you do not feel comfortable taking this issue to your manager, you should call the Compliance and Ethics Hotline.

5. B – Government as a Customer

As a government contractor (e.g., the Federal Employee Program and Medicare Parts C and D) we have a special obligation to the government and the public to ensure the highest degree of integrity. When the government is our customer, there are additional laws and regulations involved in the areas of false and fraudulent claims, cost records, price estimation, time charging, gratuities, kickbacks, and classified information. Therefore, special care and attention must be given to ensure that we understand and comply with these additional laws and requirements.

The Federal False Claims Act (FCA) forbids knowingly and willingly making false statements or representations in connection with a claim submitted for reimbursement to a Federal health care program. Under the FCA, you can report fraud waste and abuse directly to the government or you may file a lawsuit on behalf of the U.S. Government against individuals and/or entities you allege defrauded the government by filing false or fraudulent claims. This lawsuit is referred to as a qui tam or whistleblower lawsuit. The FCA prohibits employers from retaliating against their employees who report fraud, waste, and abuse to the government or who file a lawsuit on behalf of the government. Refer to the Federal FCA policy for more information.

5. C – Political Activity and Contributions

As an individual, you are encouraged to participate in the political process. Your participation is limited, however, by Federal, State, and local law. You may not include political contributions on expense reports, use company time for personal political fundraising or use BCBSNE assets for political purposes. Always make it clear when you participate in the political process, you are doing so on your own time and expense, and you do not speak for BCBSNE.

Always Remember: We are all responsible for compliant and ethical behavior.

Thank you for taking the time to review our Code of Business Conduct. The Chief Compliance Officer of BCBSNE is responsible for administering the Code of Business Conduct. In addition, the Chief Compliance Officer has been designated by the Board of Directors to oversee compliance with all applicable laws, regulations, and company policies.

If you have any questions or need additional guidance, you may contact any of the following resources: our 24-hour Compliance Hotline at **1-877-258-3222** or the Chief Compliance Officer at **compliance@nebraskablue.com**.



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