

# Code of Business Conduct

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January 2025



For more than 85 years, Blue Cross Blue Shield of Michigan and Blue Care Network have built a legacy as a trusted health insurance partner for our members and customers, providing access to high-value, affordable care wherever and whenever it's needed. Our dedicated workforce continues to build on that legacy, with a foundation of cultural competency and a commitment to being as inclusive and diverse as the communities we serve.

Our culture is powered not just by inclusion, but also by a commitment to integrity. Adhering to our company's compliance policies and procedures protects our employees, members, and customers and enhances our reputation among these important stakeholders within our communities.

When I was growing up on my family's farm, I learned how to find my way through the forest using the trees as my guide. We have our own North Star within the BCBSM enterprise, called the Code of Business Conduct. The Code is our guide to directing our daily business decisions, and it empowers us to live our values with consistency, clarity and integrity.

How we conduct business is a reflection of those values, and it reflects the long legacy of our social mission and its emphasis on environmental sustainability, social responsibility and corporate governance. These vital organizational ethics directly impact our performance, outcomes and the people and communities we serve. Thank you for upholding our values of sustainability, responsibility and integrity, and continuing our legacy into the next 85 years and beyond.

Thanks for all you do,

Tricia A. Keith  
President and CEO  
Blue Cross Blue Shield of Michigan



Dear workforce members,

We maintain our commitment to compliance and conducting our business with integrity. These are fundamental elements to the long-term success of our businesses and protection of our brands. Our strong culture of compliance and integrity is integral to upholding our reputation and securing the respect and trust of our members, customers and other business partners.

We are also strongly committed to creating and maintaining a culture of inclusion and diversity that supports a collaborative and respectful environment for our Company, workforce members, and the people and communities we serve. Our primary goal is to foster a proactive culture centered on trust and accountability, in which workforce members have the tools they need to act respectfully and ethically in their decisions.

Our Code of Business Conduct is an opportunity to demonstrate and document our unwavering commitment to a culture of compliance and integrity and serves as a valuable guide to ethical decision making. Workforce members are expected to adhere to the letter and spirit of this Code. It is up to each workforce member to support and promote an ethical culture, to use sound judgment, and to do the right thing. Ensuring our actions align with our Code is everyone's responsibility.

Thank you for making ethics and compliance a priority.

Sincerely,

Sharon Gipson  
Senior Vice President  
General Auditor and Enterprise Compliance Officer



## Compliance leadership



### **Sharon Gipson**

Senior Vice President, General Auditor  
and Enterprise Compliance Officer



### **Kelly Lange**

Vice President, Enterprise Compliance, Privacy  
Official, Medicare and Medicaid Compliance Officer





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## STANDARDS OF BUSINESS CONDUCT

# 1. We have high standards

### 1.1 Scope

For purposes of this policy, “Company” means Blue Cross Blue Shield of Michigan, Blue Care Network, and any subsidiary and/or affiliate choosing to adopt the *Corporate Ethics and Compliance Policy* and *Code of Business Conduct*. Any reference in this policy to “Blue Cross” or “Company” is intended to be a reference to all such entities.

By board resolution, this policy applies to Company Boards of Directors, members of the director-selection councils and board committees.

The term “workforce member” refers to individuals who perform duties or render services for or on behalf of the Company regardless of the type of employment or contractual agreement, including, but not limited to: full-time employees, part-time employees, temporary employees, contingent workers, interns, volunteers, contractors and consultants.

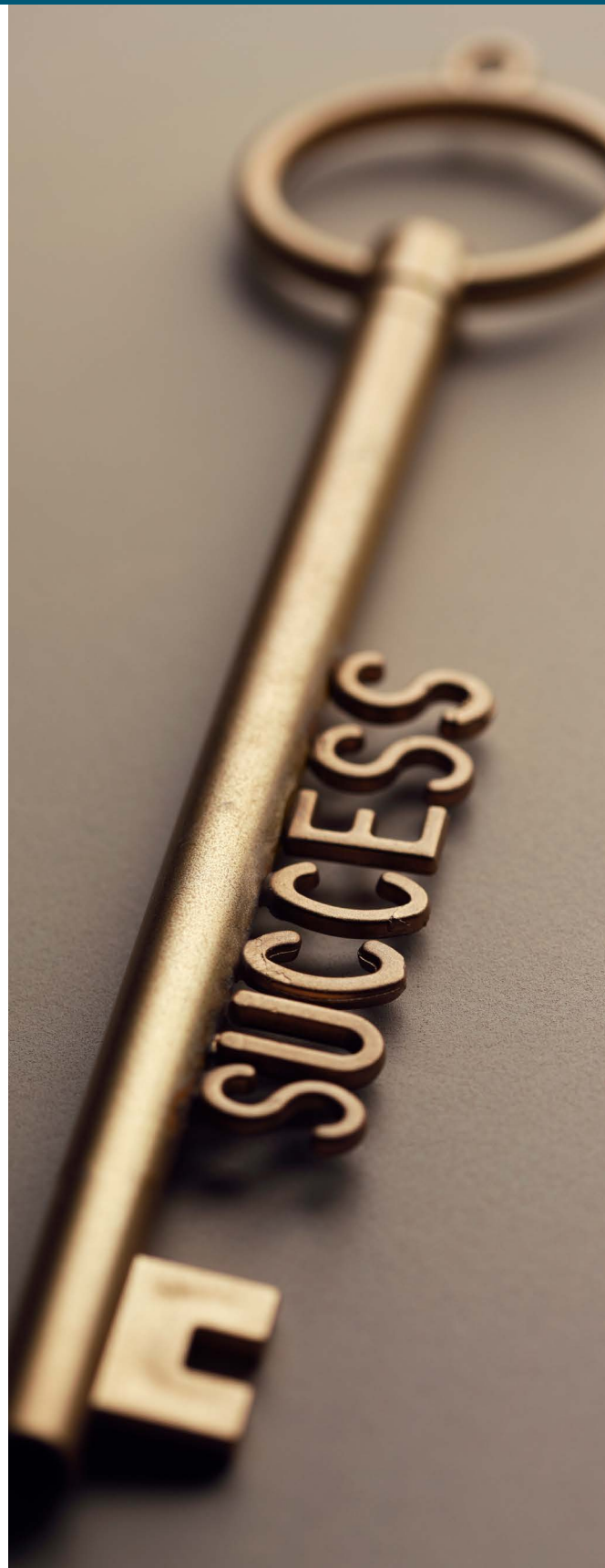
Third-parties, including vendors and agents will have access to the *Company Code of Business Conduct*. All are expected to comply with this policy.

### 1.2 High ethical standards: The key to our success

Our *Code of Business Conduct* is part of the Company’s way of life. Ethics and compliance are related concepts, but not identical. Ethics are part of the culture of an organization. They provide a framework for decision making by guiding workforce members to consider and do the “right thing.” This framework focuses on guiding workforce members on how and why to follow the rules.

Compliance is the requirement that workforce members abide by contractual obligations, Blue Cross Blue Shield Association standards, Company policies, and all applicable federal and state laws.

The Company strives to maintain high ethical and compliance standards when conducting business. Maintaining these high standards is the key to our success.





The Company requires those acting on its behalf to be respectful, fair, and courteous to each other and those affiliated with the Company.

All workforce members are expected to conduct themselves in a respectful and businesslike manner in the workplace, during work-related activities, and in their dealings with co-workers, leadership, members and customers.

The Company is committed to providing a safe working environment free of intimidation, retaliation, discrimination, threatening speech or behavior, threats of harm, or violence, whether engaged in by another workforce member or a third-party, such as vendors or volunteers.

This Code requires those acting on behalf of the Company to act with honesty, integrity, and impartiality when dealing with customers, providers, vendors, regulators, competitors, community, fellow workforce members, and board and council members. Workforce members are expected to practice due diligence when selecting vendors and other third-parties. To earn and keep their trust, the Company makes every effort to avoid even the appearance of unethical or non-compliant conduct.

Leadership and the boards of directors are committed to providing avenues through which ethical issues may be raised, reviewed, and resolved openly and honestly. Help is available when there are questions about how to maintain ethical standards. Anyone who is in a situation that raises an ethical concern should follow the guidelines in the **We Solve Ethical Problems** section of this policy.





## CONSIDER THIS

### Clinical examples

Bob Smith is a therapist who quality reviews services members receive from BCBSM providers. He also works at a private practice servicing members with BCBSM coverage. Bob's roles at both BCBSM and the private practice conflict. His ability to perform his reviews objectively and in the best interest of the company are put into question, especially if his or his practices' services are reviewed. Bob must disclose this arrangement in his conflict of interest form for appropriate resolution.

Mary, a pharmacist at the Company, is approached by XYZ Pharmaceuticals, a drug manufacturer, and asked to help with a clinical survey for a new drug. The position is paid and requires Mary to advocate and promote the new drug. Mary should decline this opportunity as it could conflict with the company's medical policy and may influence her judgment in performing her duty to the Company.

## 2. We demonstrate strong values

Employees are to disclose any relationships, outside business dealings, and any other interests or activities that may conflict with the interests of the Company. Disclosures must be made any time a potential or actual conflict occurs throughout the year.

### 2.1 Identifying potential conflicts of interest

You have a duty to be entirely free from influence of any conflicting interests when representing the Company in business dealings or making recommendations that may influence an action of the Company.

The Company respects your privacy in personal activities and financial affairs. This Code is intended to help you avoid situations that may represent a conflict of interest (COI).

The Company cannot foresee or define every situation that might be considered a conflict of interest. A conflict exists when an obligation or a situation resulting from your personal activities or financial affairs, or those of a close relative or cohabitant may influence their judgment in performing their duty to the Company. In some cases, an apparent conflict of interest is more theoretical than real, but it is important to disclose and resolve such cases promptly.

If you are not certain whether to report a potential conflict, contact the Compliance Office at [complianceoffice@bcbsm.com](mailto:complianceoffice@bcbsm.com) for guidance.

Conditions in which potential conflicts of interest may arise include, but are not limited to:

**2.1.1 Financial interests** – A conflict may exist when a workforce member, directly or indirectly, or one of their relatives or cohabitants owns any beneficial interest in an organization which is a competitor of the Company or which has current or prospective business with the Company as a vendor, customer or contractor. A conflict is not likely to exist, however, where the financial interest consists of stock holdings of under five percent in a publicly traded Company.

**2.1.2 Outside work** – A conflict may exist when a workforce member engages in an independent business venture or performs work or services for another business, community, civic, or charitable organization to the extent that the activity prevents the workforce member from devoting the time and effort to the Company's business or impairs the workforce member's ability to act in the best interests of the enterprise.





## CONSIDER THIS

Employees who work together may naturally form friendships or relationships either in or out of their workplace. Any relationship that interferes with the harmonious work environment, teamwork, productivity or creates a hostile work environment is prohibited.

### Examples of Prohibited Relationships

1. Employee directly reports to their spouse or family member who is their manager or supervisor
2. Employee processes claims for their relative who is a member
3. Employee works directly with a supplier/vendor who is a family member
4. Employee has a reporting relationship with a significant other, or one with whom they are romantically involved.

### Relatives and Cohabitants:

Bob Smith's spouse works in hospital contracting at Star Health, BCBSM would be at risk if Bob was privy to our specific hospital discounts and shared those discounts with his spouse. Bob is NOT privy to specific hospital discounts, so this is not a significant business risk.

BCBSM could also be at risk if Sue (Bob's spouse) was involved in group sales, if this is not the case, this should be considered an insignificant risk to the company.

A conflict may exist when a workforce member or one of their relatives or cohabitants serves in any capacity with an organization, including board participation, which is a competitor of the Company or which has current or prospective business with the Company as a provider, customer, vendor or contractor.

All employees are expressly prohibited from engaging in any activity that competes with the Company, compromises its interest and/or objectives, or creates an impermissible conflict of interest between the outside employment and the employee's employment at the Company.

**2.1.3 Trading with the company** – A conflict may exist when a workforce member, or one of their relatives or cohabitants is personally involved in a transaction with the Company, for the provision or receipt of other goods or services.

- An example of this kind of conflict, would involve a transaction between an employee, or their relative or cohabitant, and the Company involving the rental or the purchase of real estate or other property, equipment, or supplies.

**2.1.4 Confidential information** – Any Confidential Information, PHI, or PII including, but not limited to information regarding members or insureds obtained as a result of his or her employment for personal gain or for the benefit of others.

- An example of this kind of conflict is if an employee, or their relative or cohabitant, uses the product pricing information obtained through the work performed for BCBSM to gain a competitive edge for the advisory services they provide to others in the healthcare market outside of work.

**2.1.5 Business opportunities** – A conflict may exist when a workforce member, without knowledge and consent of the Company, assumes the benefit of any business venture, opportunity or potential opportunity from the course of their employment, and which is related to any current or prospective business of the Company.

- An example of this kind of conflict is if an employee learns information about a third-party partner's anticipated financial performance through their oversight responsibilities and they decide to make a personal investment in the Company based on that information.

Using insider knowledge for personal gain or investment purposes is not allowed.

**2.1.6 Relatives or cohabitants** – A conflict may exist if a relative or cohabitant works for the enterprise, vendor, customer, or competitor depending on the reporting relationship or job functions performed. Likewise, a conflict of interest may exist when a workforce member processes claims payments for relatives or cohabitants who are subscribers or members of the Company.



**2.1.7 Gifts and entertainment** – A conflict may arise when a workforce member, or one of his or her relatives or cohabitants:

- Accepts a gift or entertainment from a person or organization that is a competitor, or that has current or prospective business with the Company as a provider, vendor, customer, agent or contractor.
  - For example, a vendor's contract is up for renewal and they offer you tickets to a sporting event. It would not be appropriate to accept the tickets if you are actively considering them for re-engagement.
- Where the acceptance, or the prospect of future gifts or entertainment, may limit the workforce member from acting solely in the best interests of the Company.

A "gift" or "entertainment" includes any gratuitous service, loan, discount, money, free membership, article of value or favor, but does not include loans from financial institutions on customary terms, articles of nominal value ordinarily used for sales promotion, ordinary business lunches, or reasonable entertainment consistent with local social and business custom, which may be part of your job duties and responsibilities.

It is important not to accept gifts or entertainment that might influence a business decision or obligate you to take some action. Never give or accept a gift that could be seen as an attempt to improperly influence another person or company.

The temporary receipt by a workforce member of a donation to a corporate sponsored charitable event shall not constitute the acceptance/receipt of a gift. Workforce members may not receive cash even if it is intended for a corporate sponsored charitable event but should encourage cash donations to be made directly to the charitable organization. For purposes of this section, corporate sponsored event is an event in which the Company is an official sponsor, one where a Company executive serves on the board as part of his/her corporate responsibilities, or an event that has been approved by management.

For more information on accepting gifts and entertainment, **see section 2.4 on page 12 of this document.**

### **2.1.8 Workforce members serving as Corporate Representatives on external boards**

**Business organizations:** Company approval is required for specific workforce members to serve as a Corporate Representative on the board of a business organization. Annually, executive board service is reviewed by a subcommittee of the board of directors. This includes Blue Cross related organizations, such as a subsidiary, the Blue Cross Blue Shield Association, another Blue plan, or any other organization related to Blue Cross business. Please refer to the *Corporate Citizenship Policy* for further information including instruction on how to obtain approval.

Corporate Representatives must submit an expense report to obtain reimbursement for expenses incurred to attend meetings. Any expense reimbursement received from the business organization should be made payable to the Company and include documentation. Corporate Representatives may not accept retainers, meeting fees, stipends, or any other compensation offered for service at these business organizations.

Questions may be routed to the Compliance Office at [complianceoffice@bcbsm.com](mailto:complianceoffice@bcbsm.com) for guidance.

#### **Charitable, civic and community**

**organizations:** Corporate Representatives may not accept retainers, meeting fees, stipends, or any other compensation when offered for service on these boards. See the *Corporate Citizenship Policy* for additional information.

Anyone sitting in their individual capacity and not as a Corporate Representative of Blue Cross should see the *Conflicts of Interest – Outside Work* section for more information. The Compliance Office solicits external board participation disclosures from executives at least annually and disclosures must be updated throughout the year as necessary.



**2.1.9 Non-solicitation** – It is the policy of the Company to prohibit solicitation of funds or signatures during working time or in working areas, as well as, distribution of materials during working time or in working areas, except for in approved circumstances which are detailed in the *Non-Solicitation policy*. For questions about the *Non-Solicitation policy* please reach out to Human Resources or the Compliance Office.

**2.1.10 Other** – Any other situation where a conflict may exist regardless of whether identified above.

## 2.2 Disclosing potential conflicts of interest

In addition to the annual formal statement, employees have a duty to disclose to their leadership, at the time it arises, any situation, transaction or relationship that may be viewed as a conflict of interest. Employees can amend their disclosure form at any time by logging onto the compliance training website and amending their previous disclosure form. The form link is also available via BluesLink under “Policies & Procedures/ Code of Business Conduct/Conflict of Interest” or you may contact **complianceoffice@bcbsm.com** for assistance.

## 2.3 Participation in conferences or meetings

You may not solicit customers, vendors, providers, consultants, or agents to pay for the costs of travel, lodging, registration fees or other personal expenses related to conference or meeting attendance.

Cash honorariums or any other financial consideration received related to your position with the Company may not be accepted. Should any such payment be received, you must process it per the guidelines in the *Business Expense Reimbursement Policy*.

In most situations payment for travel-related expenses will be reimbursed by the Company in accordance with applicable *Business Expense Reimbursement Policy*.

Attendance at or participation in conferences or meetings unrelated to current or potential Company business are not subject to this code.

If a current or potential customer, vendor, provider, consultant or agent offers to pay for travel, lodging or registration fees associated with a meeting or conference it is recommended to decline to avoid the appearance of impropriety or a potential conflict. There may be instances where partial payment is acceptable:

- You are speaking at the conference or meeting. In this case, registration fee coverage may be appropriate. Please review with your leadership, the Compliance Office, or HR if you are unsure.

Please keep these considerations in mind when attending a conference or meeting:

- Leadership approval must be obtained prior to attending the conference or meeting
- Your attendance must be for a valid business purpose and a reasonable adjunct to a business relationship
- Lodging and airfare may be considered excessive expenditures
- Expenses such as meals and entertainment paid by a vendor must be reasonable and consistent with the *Business Expense Reimbursement Policy* e.g., cannot involve lavish accommodations or expenditures
- The expenses for attendance are reasonable considering the benefits afforded to the Company and unlikely to compromise your ability to carry out your duties
- The offer does not otherwise introduce the appearance of or an actual conflict of interest due to timing, current or prospective contract negotiations, or role/position of the employee being offered the accommodation

You must make a reasonable effort to determine the value of the travel expenses associated with the conference(s) or meeting(s) and disclose the amount on your disclosure form as they arise.

**Note:** Workforce members with responsibility for administration of Company workforce member benefit plans such as pension funds, 401k plans, life insurance or workforce member health plans are subject to additional legal requirements. These workforce members (including their relatives) may not accept any gifts, gratuities or other considerations from a customer, vendor, provider, consultant or agent about any transaction involving



## CONSIDER THIS

What may I give

### Yes

Gifts or other business courtesies that comply with U.S. and foreign law, reasonable/nominal value, not used to influence business decisions and in accordance with applicable procurement and reimbursement policies.

### No

Bribes, gifts of cash (or cash equivalent) or other business courtesies that may improperly influence government or business relationships or are otherwise in violation of U.S. or foreign laws.

### Ask

Gifts or other business courtesies of more than nominal value; gifts or business courtesies in foreign countries.

Company assets having an annual aggregate value of \$250 or more. Workforce members with these responsibilities may attend educational conferences related to workforce member benefit plans but shall be subject to the same guidelines as listed above.

## 2.4 Guidelines for acceptance and disclosure of gifts and entertainment

The following are guidelines for acceptance and disclosure of gifts:

- You may not accept any gift or entertainment that would influence your business judgment in favor of a workforce member, customer, vendor, provider, consultant, agent or competitor.
- You are required to disclose receipt of any gifts or entertainment exceeding \$100 in value for a single gift, as well as multiple gifts totaling or exceeding \$100 in the aggregate from the same giver. You are encouraged to obtain leadership approval prior to accepting gifts or entertainment exceeding \$100 in value.
  - Examples of gifts that are typically acceptable to receive include, but are not limited to a fruit basket, a raffle prize, or an umbrella.

Please refer to the *Business Expense Reimbursement Policy* for additional guidance.

- You may not give or receive monetary gifts or cash equivalents, including but not limited to gift cards and certificates, to or from external parties except for corporate approved programs. External parties may include vendors, agents, members, customers, regulators, etc. Articles of nominal value ordinarily used for

sales promotion may be exchanged. Also, the exchange of business courtesies, including reasonable meals and entertainment consistent with social and business custom is permissible. You should exercise good judgment in offering or accepting meals, entertainment, or other gratuities to avoid any improper influence or the appearance of a conflict.

- When dealing with other individuals and entities whose standards are more restrictive than ours, we will follow their standards to the extent we are aware of them. Federal law prohibits gifts to federal workforce members, certain union leaders and to members of Congress, including any vendor, agent, provider, consultant or government official affiliated with government health programs. We must follow the law as it applies to gifts to these individuals. No inducements may be offered to or accepted from state or federal government workforce members. No marketing gifts may be given to prospective government health program members valued at more than \$15.
- When in doubt as to whether gifts and entertainment are appropriate, consult your leadership or contact **complianceoffice@bcbsm.com**.

**On at least an annual basis, employees will be asked to submit a formal statement for disclosure of any information relating to the possibility of a conflict of interest.**

**Amendments must be made if changes or other potential or actual conflicts occur during the year.**





## 2.5 Conflict of interest Q&A

**Q: Who is required to complete a COI Form?**

A: In accordance with the *Corporate Ethics and Compliance Policy*, all employees (exempt, non-exempt or bargaining unit) must complete the conflicts of interest form upon hire and annually thereafter. Contractors are not required to complete the form. Disclosures must be made any time an actual or potential conflict arises. To update your disclosure form **[click here](#)**.

**Q: How do I know if a conflict of interest is present?**

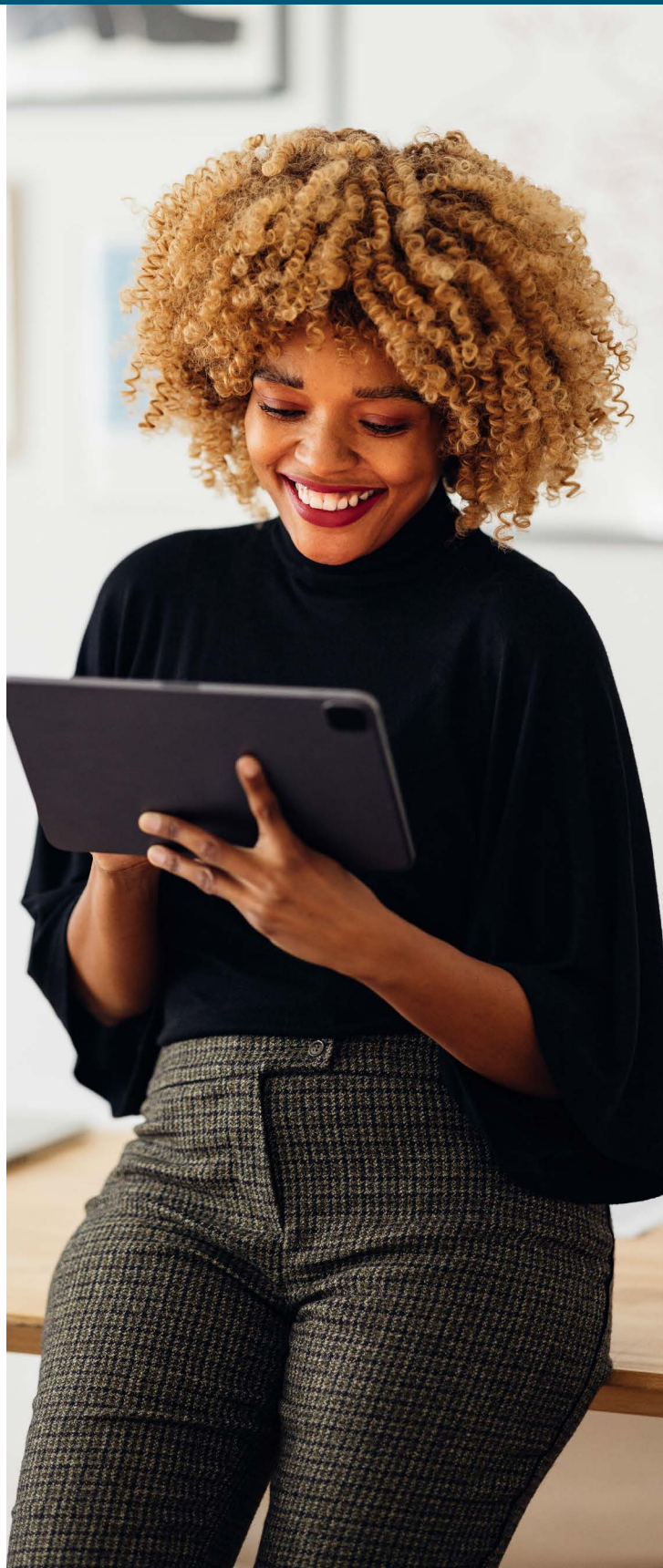
A: In some cases, the conflict may not be easy to identify. You should contemplate if the relationship or transaction conflicts with the best interests of the Company. For instance, it is almost always a conflict of interest for you to work at the same time for BCBSM and on behalf of a competitor, vendor, or customer. Likewise, it is usually a conflict of interest for you or members of your immediate family to have substantial financial or business interests with a competitor, customer or vendor of BCBSM or its subsidiaries and affiliates. You must contact your leader or the Compliance Office if you are not certain a situation is a conflict of interest.

**Q: Can I wait to report gifts and entertainments I receive until annual Compliance Training?**

A: No. You are required to disclose gift(s) or entertainment as they are offered and received.

**Q: Do I need to disclose my relative who works for the enterprise, and with whom I have no direct reporting relationship?**

A: Yes. According to policy, a conflict may exist if a relative or cohabitant works for the Company, depending on the reporting relationship or job functions performed.





## 2.6 Are you a leader?

Use the 5 R's Methodology to help resolve a potential conflict of interest. For assistance on conflict of interest resolution, please reach out to **ComplianceOffice@bcbsm.com**.

**RECORD:** Confirm that potential conflicts are formally disclosed to maintain transparency. For example, a workforce member indicates on their conflict of interest disclosure form that their spouse also works at BCBSM but in a different division and there is no reporting relationship. Leaders are required to review the disclosure, via the compliance training platform, and provide rationale for confirming a conflict either does not exist or was effectively resolved.

**RESTRICT:** Effectively separate the workforce member from certain parts of an activity/ process to avoid a conflict. For example, if a workforce member has a relationship with a vendor, they may not make or participate in any business decisions with respect to that vendor, or potential vendor.

**REMOVE:** Identify duties/responsibilities related to the conflict that can be removed from the workforce member to mitigate or eliminate the conflict. Examples include transferring the workforce member to another project or to another area of the Company.

**RELINQUISH:** Workforce member gives up the private interest that is creating the conflict. An example would be giving up a second job.

**RESIGN:** Is the most extreme solution to a serious conflict. It will only be considered if the conflict of interest cannot be resolved in any other way.



5 R's



## 3. We do the right thing: Ethical business practices

### 3.1 Anti-bribery and anti-corruption

Corruption and bribery are both state and federal crimes; engaging in unlawful acts creates risk for both the Company as well as you as an individual. Corruption broadly means giving a benefit or advantage to someone contrary to the rights of others. Bribery, which is a type of corruption, is the offering, giving, receiving, or soliciting of any item of value to influence the actions of an official, or other person, in charge of a public or legal duty. Both bribery of government officials as well as private sector bribery is unlawful and prohibited. Participation in activity in violation of this statement will be subject to disciplinary action up to and including termination.

### 3.2 Accounting and reporting

To verify the integrity of Company financial records, everyone is required to abide by established accounting and business practices which include accurately and truthfully recording accounting data, corporate information, and operating data. False or artificial entries are not allowed for any reason in Company financial records.

Examples of improper conduct include:

- Causing records to appear as though a transaction occurred when it did not
- Causing records to appear as though a transaction occurred at a different time or at a different amount than it truly did
- Failing to report suspected financial fraud, waste, or abuse
- Fraudulently influencing, coercing, manipulating, or misleading any accountant/ auditor engaged in an audit of the financial statements of the Company

### 3.3 Political activities

The Company encourages you to be a good citizen and to participate in the political process. However, if you participate in political activities on your own initiative, including making personal political contributions to candidates or political parties, make it clear that you are acting as an individual and not acting on behalf of the Company. You may not use any Company property, facilities, or time of any other workforce member for any political activity. Involvement in political activities should be conducted outside of working hours.

Corporate political activity is highly restricted. The Company is prohibited by law from using its funds to support candidates for federal, state or local office. The Company receives federal funds under government contracts and must carefully monitor activities in this area to ensure that government funds are never used for political activities. A narrow exception to this rule allows use of Company resources to form and maintain bluesPAC, a political action committee, that may then make political contributions using voluntary donations from eligible workforce members.

### 3.4 Fair dealing

The Company is committed to dealing fairly with customers, vendors, competitors, and workforce members. We will not take unfair advantage of anyone through manipulation, concealment, abuse of privileged or Confidential Information, misrepresentation of facts, or any other unfair business practice.





BCBSM aims to prevent money laundering and other financial related crimes. Money laundering is a process bad actors use to move funds gained from illegal activity through illegitimate businesses to make the funds appear legitimate. The workforce is required to report any suspicious activity for investigation, as well as adhere to financial and regulatory compliance rules, such as ongoing education efforts for employees and constant monitoring of irregular movement of funds.

Under trading laws, the Company and workforce members may not trade based on inside information about a company or share that information with anyone else. Through your work, you may have access to material, nonpublic information about the Company or a customer, competitor, or third-party. This information is considered “inside” information. Trading Company, competitor, or third-party securities while in possession of inside information is considered “insider trading” and is illegal. Any suspicious activity or questions related to “insider” information should be reported as soon as possible to the **[complianceoffice@bcbsm.com](mailto:complianceoffice@bcbsm.com)**.

### 3.5 Social responsibility

The Company is committed to its social mission and to the communities it serves. Through the social mission, dedication to respect, and environmental care, we live our values and serve our stakeholders as a trusted partner.

**ENVIRONMENTAL SUSTAINABILITY** | The Company is committed to operating in an environmentally responsible manner. Our facilities and practices aim to reduce our impact on climate change and conserve resources.

**SOCIAL RESPONSIBILITY** | The Company is committed to being socially responsible by fostering an environment of inclusion and diversity across our business, with a focus on empowering minorities, operating ethically and supporting communities.

**CORPORATE GOVERNANCE** | The Company is committed to building a culture dedicated to ethical business behavior and responsible corporate activity. We believe strong corporate governance is the foundation to delivering on our commitments, which is reflected through our focus on policy and education provided to our workforce members.







### 3.6 Antitrust laws

The Company strives to conduct its business in a manner that helps maintain a free and competitive market. Antitrust laws help protect competition in the market. Avoid engaging in activities that contradict these laws and the Company philosophy. Examples of transactions to avoid:

- Entering into any agreement or joint conduct with competitors that would harm competition
- Collaborating with a competitor to decide what to charge for products or services
- Collaborating with a competitor to decide what to pay for services

To avoid any implication of an antitrust violation, Company workforce members should:

- Never discuss Confidential Information with a competitor
- Never exchange price information or communicate with a competitor about prices, anything that may affect prices, or customers
- Take extra care when attending trade association meetings or other events where interactions with competitors occur

Antitrust laws are very complex. Please reference the *Antitrust Policy* or contact the Office of General Counsel for any questions about permissible or impermissible conduct, email inquiries can be sent to **OGCAntitrustQuestions@bcbsm.com**.





## 4. We protect our company and our members

### 4.1 Confidentiality

The Company is required by state and federal law, and is strongly committed to, safeguarding the confidentiality of personal and protected health information. Such information includes, but is not limited to, a member's medical history, treatment records, age, or marital status. You may have access to this information only if you need it to perform your job. You may use and disclose it only as permitted or required by law and by our corporate *Health Information Privacy Policy* and/or consistent with the *Intellectual Property Policy*. Any violation of this obligation to maintain the confidentiality of protected health information will be viewed very seriously and will result in discipline, up to and including termination of employment.

You must vigorously safeguard the Company's confidential information, PHI, or PII including, but not limited to information regarding members or insureds. This type of information includes, but is not limited to, any information that is not generally disclosed outside the Company and that may be useful or helpful to our competitors.

Examples could include client lists, business plans, financial data, source code, business strategies, and information or data that we have contractually promised to keep private. Workforce members who violate this duty to protect the privacy of Company information may be subject to discipline up to and including termination. Please abide by the following recommendations to prevent incorrect exposure of this type of information:

- Share Confidential Information with others within the enterprise only on a need-to-know basis
- Do not transmit corporate information to personal emails or unauthorized external parties
- Do not use a workforce member-owned device to capture or disseminate images or audio of any corporate data

- Verify that any Confidential Information disclosed to outsiders has leadership approval and is covered by a suitable confidentiality agreement.
- Avoid incidental disclosures of Confidential Information in conversations with customers and others. Workforce members, regardless of work location (Off-Campus, Mobile or On-Campus), must follow Company confidentiality guidelines. Additional information can be found in the *BlueSpace – Flexible Work Arrangement Corporate Policy*.

You must also respect and protect the trade secrets and Confidential Information of other entities acquired before working for the Company. Confidential or protected information includes, but is not limited to the following:

- Customer lists
- Patented products, methods, processes or copyrighted materials
- The trade or service marks of others
- Software code
- Pricing data
- Questions regarding the use of confidential or protected information should be directed to [privacy@bcbsm.com](mailto:privacy@bcbsm.com).

### 4.2 Use of company assets and funds

Company assets are to be used for reasonable and bona fide business purposes. Company assets include, but are not limited to:

- equipment
- funds
- office supplies
- concepts
- business strategies and plans
- financial data
- other information about Company business



These assets may not be used to derive personal gain for you or others. You must not transmit Company information to personal emails or unauthorized external parties. Workforce members shall refer to the Acceptable Use Standard for requirements and guidelines on the appropriate use of assets.

The Company should not directly or indirectly extend or maintain credit, arrange for the extension of credit, or renew an extension of credit in the form of a personal loan to or for any director or executive officer (or equivalent thereof) of the Company.

### 4.3 Use of company e-mail and internet

The Company's internal e-mail systems are acceptable for transmitting confidential data within the enterprise. Protected health information may be shared using internal e-mail systems provided the recipient has a business need-to-know and the minimum necessary rule is applied.

Our internal electronic mail systems, however, are not secured sources of data transmission and should not be used to send data over the public network unless appropriately encrypted.

Confidential Information must be encrypted before being sent outside the Company. If messages are not encrypted, they could be accidentally misdirected or purposefully made public while being transmitted over the internet.

When sending Confidential Information outside the Company, you must comply with applicable corporate policies, including the *Health Information Privacy Policy*, Information Security policies and related Corporate Standards. An encryption option is available to secure messages that are being sent over the Internet. You should avoid sending Protected Health Information (PHI), Personally Identifiable Information (PII) or corporate Confidential Information by email outside of the Company whenever possible. You can obtain additional information, including instructions, at the Information Technology site. You should contact your leader or check IT4Me on BluesLink with questions related to encrypted e-mail.

It is a violation of the Code of Business Conduct to create, access or exchange messages or information on or through the Company's electronic mail systems or computer networks that is offensive, harassing, obscene, threatening or disparaging to others. Simply stated, do not send anything via the electronic mail systems that you would not want to be disclosed publicly. In addition, do not access such information using business computer systems.

It is a violation of the Code of Business Conduct to use the Company's internal e-mail systems to create or share offensive, harassing, obscene, threatening, or disparaging information to others.

### 4.4 Records management

The Company requires compliance with the *Records and Information Management Policy* that in accordance with applicable laws, establishes uniform procedures for storing, retaining, and destroying corporate records. Exceptions to the policies may be made by the Office of General Counsel during investigations of alleged wrongdoing or as required by law to preserve relevant corporate records.

### 4.5 Cybersecurity

Workforce members must understand their security roles and responsibilities in accordance with information security policies to protect assets and data from unauthorized access, disclosure, modification, or destruction. Security events or potential events or other security risks to the organization must be reported to leadership, the information security department, or Help Desk.





## 4.6 Adherence to Fraud, Waste and Abuse guidelines

The Company is committed to preventing and detecting fraud, waste, and abuse. The Company promotes an ethical culture of compliance with all federal and state regulatory requirements and requires the reporting of any suspected fraud, waste, or abuse. *The Detection and Prevention of Fraud, Waste and Abuse Policy* is available on the corporate intranet and sets forth the requirements.

For information and guidance on working with vendors and other third-party entities, please reference the *Enterprise Procurement of Goods and Services* and *Vendor Management* and *Enterprise Vendor Management and Contract Administrator* policies or contact Enterprise Procurement or the Office of General Counsel for specific inquiries.

Any compliance related inquiries can be directed to the Compliance Office at **[complianceoffice@bcbsm.com](mailto:complianceoffice@bcbsm.com)**.

## 4.7 Expectations for third-parties

The Company sets clear guidelines for those working with vendors and other third-parties to maintain strong levels of accountability and to deliver quality services to our members.







## 5. We value our relationships

### 5.1 Inclusion and Diversity in the workplace

The Company is committed to creating a culture of inclusion where everyone, regardless of race, ethnicity, religion, age, seen or unseen disability, sexual orientation, gender identity, or veteran status, etc. can contribute at their highest levels. The focus on inclusion and diversity extends to vendors, community partners, and stakeholders. Company initiatives focus on:

- Attracting, developing, and retaining a culturally competent workforce.
- Engaging diverse communities and improving access to health care where it's most needed.
- Addressing health and health care disparities and social determinants of health.
- Meeting the diverse needs of the marketplace.
- Supporting diverse vendors.

Workforce members are expected to act in an inclusive, collaborative, and respectful manner. Employees have an opportunity to come together to learn, engage and serve as allies through the Company Employee Resource Network (ERN) program. ERNs also provide professional development opportunities. ERNs are open to all BCBSM bargaining unit and non-bargaining unit employees.

Please refer to the corporate *Disabilities in the Workplace* or the *Harassment-Discrimination Policy* to learn more about Company guidelines related to inclusion and diversity found on the HR intranet site.

### 5.2 Nondiscrimination

The Company strictly prohibits any form of harassment or discrimination against an individual or a group based upon sex (including pregnancy or related conditions, sexual orientation, gender identity, gender expression, sex stereotypes and sex characteristics, including intersex traits), race, color, national origin (including limited English proficiency and primary language), religion, physical or mental disability, protected activity, age, veteran status, height, weight, genetic information, marital status, familial status, citizenship, arrest record, membership in a historically under represented group, pregnancy, childbirth or a related medical condition and any other characteristics protected by law, in the workplace and during work-related activities.





The term “discrimination” includes but is not limited to treating an individual less favorably than others because they belong to one of the protected classifications identified above. Additional information, including responsibilities, definitions and examples can be found in the *Harassment-Discrimination Policy*. Instances of discrimination should be reported to your leader, Human Resources, or the Enterprise Compliance Officer. The Company prohibits retaliation against any workforce member who utilizes such resources in good faith to make complaints of discriminatory conduct.

### 5.3 Workforce member relations

All company workforce members must treat each other with respect and dignity. Disruptive behaviors exhibited by workforce members will not be tolerated. Disruptive behaviors will subject the offender to disciplinary action and/or termination.

Examples of disruptive behaviors include (but are not limited to) the following:

- The use of abusive, offensive or degrading language
- Intimidating or threatening physical actions
- Physical abuse/assault, including the striking of another person
- Criticism of a personal rather than professional nature
- Inappropriate touching
- Threats of violence or physical harm
- The use of sexually explicit or suggestive language

Incidents or patterns of disruptive behavior can be reported to an individual’s direct leader, the HR Department or the anonymous hotline.





## 5.4 Prior criminal convictions

The Company has a legal duty to identify and consider for exclusion from its operations any workforce members whose prior conduct was illegal or inconsistent with the administration of an effective compliance and ethics program. How that conduct is related to the specific responsibilities of the workforce member, as well as how recently the conduct occurred will be considered when making hiring, contracting, or retention decisions.

Workforce members will be subject to periodic background checks and verification against government sanction lists. The Company will not do business with any individual or organization whose name appears on government sanction lists, as may be required by law, rule, or regulation. Disclosure requirements will be incorporated into applicable vendor, contractor, and provider agreements.

The Company's Human Resources department makes decisions regarding the hiring or retention of individuals or organizations with histories of:

- Felony convictions
- Convictions for crimes of fraud, dishonesty, or other health care crimes
- Reported or discovered misconduct

Issues regarding contracting with any organizations that have felony convictions or other misconduct will be discussed and resolved by Contingent Labor in partnership with Employee and Labor Relations.

## 5.5 Government investigations

If you are contacted at work or outside of work by a governmental agency concerning a work-related matter, you should immediately contact your leadership, the Office of General Counsel, and the Compliance Office.

The Office of General Counsel can aid in determining how to respond to the request for information. Each workforce member is entitled to consult their own personal legal counsel before consenting to an interview and to have their personal legal counsel present for any interview. The Office of General Counsel can advise the workforce member of his or her options for personal legal counsel and will be available to attend the interview on behalf of the Company. If you receive a subpoena from a government agency, you should immediately contact the Office of General Counsel and Compliance Office at [complianceoffice@bcbsm.com](mailto:complianceoffice@bcbsm.com).

## 5.6 Government programs

Additional compliance requirements and procedures apply to the Company's participation in government programs. Please refer to the Federal and State Programs Addendum in the *Corporate Ethics and Compliance Policy* for more information.

## 5.7 Nondiscrimination in health programs and activities

Section 1557 of the Patient Protection and Affordable Care Act (ACA) prohibits discrimination based on race, color, national origin (including limited English proficiency and primary language), sex (including pregnancy or related conditions, sexual orientation, gender identity, gender expression, sex stereotypes, and sex characteristics, including intersex traits), age, or disability in certain health programs and activities. Anyone contacted concerning the Company's compliance with this section should immediately contact the Company's Office of Civil Rights Coordinator at [civilrights@bcbsm.com](mailto:civilrights@bcbsm.com).

Allegations of noncompliance with section 1557 can be made by calling 888-605-6461 or emailing [civilrights@bcbsm.com](mailto:civilrights@bcbsm.com).





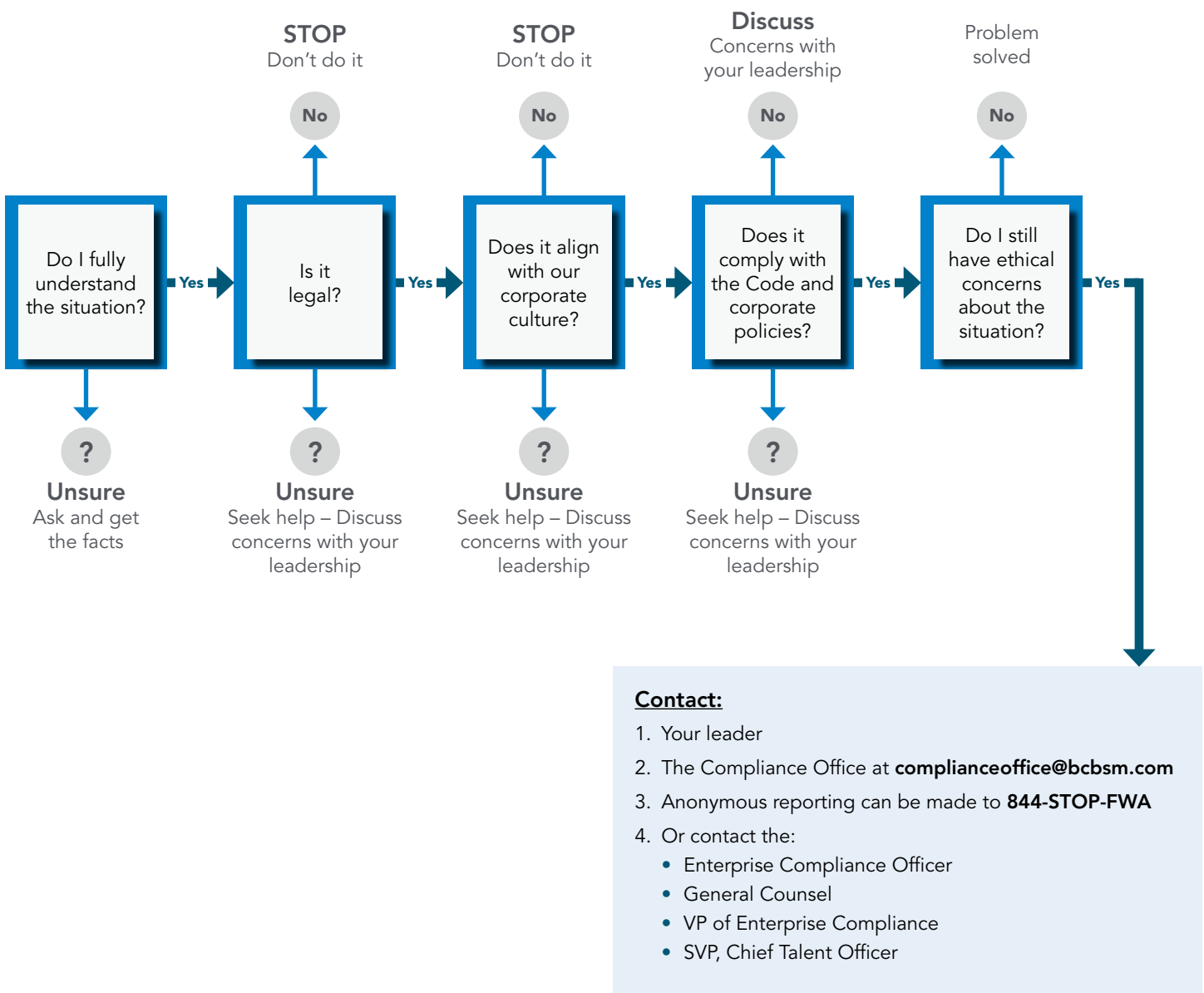
## 6. We solve ethical problems

### 6.1 Ethical decision making guide

Some ethical issues have clear solutions. Other ethical questions are not as clear and present difficult choices. It is pertinent that leadership takes reasonable steps to resolve ethical dilemmas.

The *Code of Business Conduct* cannot list every potential dilemma; however, it can provide guidelines. If you are faced with an ethical problem, use the guide below as frequently as needed.

When faced with an ethical situation, **ask yourself**:





## 6.2 Reporting and non-retaliation

We encourage you to think about ethical dilemmas, report problems or concerns, and ensure your behavior conforms to the standards in this Code.

Because you are encouraged to act as a good corporate citizen and raise issues about questionable activities, negative actions will not be taken against you for making a complaint or disclosing information about an activity that you believe in good faith may violate this Code or any laws, even if your belief is mistaken. Anyone who attempts to retaliate against you for reporting problems or concerns will be disciplined. The expectation is that you will feel free to demonstrate good faith reporting of compliance concerns without fear of retaliation or intimidation.

Any known or suspected violation of this Code or any laws need to be reported. You are obligated to immediately report instances of potential misconduct or non-compliance. Participation in internal and external investigations is required. Failure to report or cooperate in an investigation will subject you to discipline, including possible termination of employment.

Issues related to the board members concerning ethics, compliance or director fiduciary duties may be raised directly to the BCBSM Corporate Secretary at **313-225-0755**.

Issues related to possible Medicare fraud may also be reported to the Health and Human Services Office of Inspector General at **800-447-8477** or **TTY 800-377-4950**.

## 6.3 How we respond to inquiries and reports involving the Code of Business Conduct and compliance issues

The Company is committed to creating a work environment that encourages and accepts inquiries and reports involving the Code of Business Conduct, suspected compliance issues, suspected violations of federal or state law, or suspected fraud, waste, or abuse. Anyone may report a compliance concern and reports may be made confidentially or anonymously.

We will review and investigate reports of potential violations as appropriate. If criminal conduct is confirmed, our response may include actions to mitigate any harm caused. Mitigating actions could include making appropriate restitutions and assessing the Company's compliance program to ensure the program is effective and consistent with applicable regulations.

If you are involved in a reported potential violation, you will be treated fairly and given an opportunity to explain your actions.

Remember that when you make an inquiry or report, it will be handled as confidentially and discreetly as possible, according to corporate policies. You will be notified once resolved, though the details of the resolution may be confidential. We may, however, be required to substantiate any allegations of wrongdoing. A record of your inquiry and our response will be made and forwarded to Human Resources leadership, Corporate and Financial Investigations (if related to fraud), or Compliance Office leadership for review and follow-up as required.





## 7. We hold people accountable

Appropriate disciplinary actions may be taken against anyone who:

- Violates the law
- Violates the *Code of Business Conduct* or *Corporate Ethics and Compliance Policy*
- Fails to report a violation of law, *Code*, or policy
- Fails to cooperate in internal or external investigations of alleged violations
- Fails to participate in required compliance training

Workforce members who fail to take reasonable steps to identify, prevent, discontinue and report misconduct as soon as it is suspected or discovered will be subject to discipline.

These behaviors are examples of situations that can lead to discipline, and do not constitute an all-inclusive list of infractions. Each situation will be evaluated individually.

Appropriate disciplinary action may include termination and referral for criminal prosecution.

### Addendum:

The federal False Claims Act (FCA), as amended by the Fraud Enforcement and Recovery Act of 2009, prohibits anyone from knowingly submitting false or fraudulent claims to the federal government and from making false or fraudulent records or statements to a recipient of federal funds (i.e. any entity that contracts with the federal government for any purpose). The FCA also requires recipients of federal funds to return any overpayment to the federal government. The FCA can be enforced by the Department of Justice, the United States Attorney's Office, or through qui tam actions, where an individual sues on behalf of the government.





## 8. Definitions

**Abuse** – activities that are inconsistent with sound fiscal, business or medical practices, that may result in unnecessary cost to the Company or its customers, including but not limited to payment for services not medically necessary or that fail to meet professionally recognized standards for health care

**ACA** – Affordable Care Act or National Health Care Reform law

**Blue Cross Blue Shield of Michigan and/or Blue Cross** – an independent licensee of the Blue Cross Blue Shield Association

**Blue Care Network and/or BCN** – BCN is a wholly-owned subsidiary of Blue Cross Blue Shield of Michigan. As used in this code, refers to Blue Care Network of Michigan, BCN Service Company and Blue Care of Michigan, Inc. collectively.

**BCBSA** – Blue Cross Blue Shield Association

**Bribery** – the offering, giving, receiving, or soliciting of any item of value to influence the actions of an official, or other person, in charge of a public or legal duty

**Company** – Blue Cross Blue Shield of Michigan, Blue Care Network, and any subsidiary and or/ affiliate choosing to adopt the *Blue Cross Corporate Ethics and Compliance Policy* and this *Code of Business Conduct*

**CMS** – the Centers for Medicare & Medicaid Services

**Cohabitation** – two persons living together in the same household

**Confidential Information** – information not generally known or readily obtainable through legitimate means by persons outside the Company. For example, personal data about officers or employees, sales strategies, or information supplied in confidence by a customer or vendor may be confidential although not considered a trade secret.

**Corporate Representative** – a workforce member representing the Company as part of the fulfillment

of the responsibilities of their role. Responsibilities generally include Company appointment to a charitable board or committee.

**Corruption** – dishonest or fraudulent conduct that gives an unwarranted benefit or advantage to a person or entity.

**Enterprise** – Blue Cross Blue Shield of Michigan, its affiliates, and subsidiaries

**Fraud** – intentional deception or misrepresentation made by a person or entity, including but not limited to workforce members, contractors, affiliated providers, vendors, authorized agents, enrollees, members or other third persons with the knowledge that the deception could result in some unauthorized benefit to himself/herself or some other person or entity. It includes any act that constitutes fraud under applicable Federal or State law

**Government Programs** – includes Medicare Advantage, Medicaid, Medicare Part D, and the Federal Employees Health Benefits Program

**HIPAA** – the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations

**Minimum Necessary Rule** – a key component of the HIPAA Privacy Rule requiring that the Company and its workforce members take reasonable precautions to only collect, use, and disclose the minimum amount of PHI needed to carry out a permissible business purpose or function

**OCR** – Office for Civil Rights

**OPM** – Office of Personnel Management

**Personally Identifiable Information (PII)** – any information that alone, or in combination with other information, identifies, or could reasonably identify, an individual and/or his or her relatives, employers, or household members. Not all PII is PHI. Information that is not obtained for medical purposes or as a result of health care operations is generally not PHI.



**Protected Health Information (PHI)** – individually identifiable health information, including demographic information collected from an individual, that is transmitted or maintained in electronic or any other form or medium and

- is created, or received by a health care provider, health plan, or health care clearing house; and
- relates to past, present, or future physical or mental health conditions of an individual; the provision of health care to the individual; or past, present, or future payment for health care to an individual, and
  - that identifies the individual; or
  - with respect to which there is a reasonable basis to believe the information can be used to identify the individual.

**Public Network** – a network that can be freely accessed by anyone, e.g., the internet

**Relative** – family members, such as a spouse, parent, child, cousin, sibling, including step- relative and in-law. Family members also include domestic partners and any person who is part of your household.

**Waste** – activities involving the Company's payment or reimbursement, or attempts to receive payment or reimbursement, for items or services where there was no intent to deceive or misrepresent, but rather the Company incurred unnecessary costs because of poor, inaccurate, or inefficient invoicing, billing, processes, or treatment methods

**Workforce Members** – individuals who perform duties or render services for or on behalf of the Company regardless of the type of employment or contractual agreement, including but not limited to full-time employees, part-time employees, temporary employees, contingent workers, interns, contractors, consultants, and volunteers





## 9. Contacts

If you see something, say something...

For guidance, issues, or concerns regarding:	Contact:
The Code of Business Conduct or General Compliance and Ethics	Email: <a href="mailto:complianceoffice@bcbsm.com">complianceoffice@bcbsm.com</a> Anonymous Hotline: <b>844-STOP-FWA</b>
Fraud, Waste, or Abuse	Email: <a href="mailto:stopfraud@bcbsm.com">stopfraud@bcbsm.com</a> Anonymous Hotline: <b>844-STOP-FWA</b> <a href="#">Online Fraud Form</a>
Privacy	Email: <a href="mailto:privacy@bcbsm.com">privacy@bcbsm.com</a> Anonymous Hotline: <b>800-552-8278</b> <a href="#">Online Privacy Form</a>
Medicare business	<b>888-650-8136</b> TTY <b>800-588-2711</b> or dial <b>711</b>
Antitrust	Email: <a href="mailto:OGCAntitrustQuestions@bcbsm.com">OGCAntitrustQuestions@bcbsm.com</a> Anonymous Hotline: <b>844-STOP-FWA</b>

Workforce members should feel free to raise ethical concerns in good faith without fear of retaliation or intimidation.



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