



# CODE OF COMPLIANCE

## INTRODUCTION

Sentara Healthcare (Sentara) is committed to providing ethical and professional services and promoting the best possible state of health for those in our communities. The Compliance Guide, found on the Sentara Compliance website, reflects the values that guide Sentara operations.

Optima Health (collectively Optima Health Plan (OHP), Optima Health Insurance Company (OHIC), Optima Health Group (OHG), and Sentara Health Plans, Inc (SHP), pledges to obey all laws governing its operations and will conduct business by legal and ethical standards. In addition, Optima Health supports the government's efforts to reduce fraud, waste and abuse in healthcare and to improve the quality of care provided to each member. The Optima Health Compliance Program establishes a culture that promotes prevention, detection, and resolution of instances of behavior that do not obey federal and state laws, regulations, and health care program requirements.

The Code of Compliance is a guide to help you in your daily work responsibilities. It does not cover every situation you may encounter. The Code of Compliance provides only general guidelines that are explained in the company's policies and procedures. Keep it handy and refer to it as needed.

You, as an employee, have a responsibility to speak up if you have any questions regarding proper conduct in a particular situation. The Sentara Integrity Hotline should be used to report concerns of alleged violations of laws and regulations, the Sentara Compliance Guide, or the Optima Health Code of Compliance. The Optima Health Fraud, Waste, and Abuse Hotline should be used to report fraudulent or abusive activities such as improper billing or coding. The Sentara Integrity Hotline and the Optima Health Fraud, Waste and Abuse Hotline also allow you to receive answers on ethical issues. Calls may be made anonymously.

A violation of this Code of Compliance or related policy will subject an employee to *disciplinary action, up to and including termination of employment.*

With emphasis on these standards, we can assure our patients, health plan members, and communities that Sentara and Optima Health have uncompromising values and can be relied upon to "do the right thing."

## SENTARA INTEGRITY HOTLINE

(Report potential violations of laws and regulations)

**1-800-981-6667**

## OPTIMA HEALTH FRAUD, WASTE, AND ABUSE HOTLINE

(Report suspicious claim activity)

**1-866-826-5277  
757-687-6326**

**or by email at**

**[www.compliancealert@sentara.com](mailto:www.compliancealert@sentara.com)**

## CONFIDENTIALITY AND PRIVACY

The Health Insurance Portability and Accountability Act (HIPAA), Privacy and Security Regulations, and State insurance laws require Optima Health and our business associates, to keep an individual's health information private and confidential. Privacy means an individual can limit access to protected health information, provided that this does not interfere with the organization's treatment, payment, or health care operations. Confidentiality means protecting health information so that it is only available to those who have been authorized to access, use, or disclose the information. All Optima Health employees are responsible for protecting the security of all identifiable health information.

Members receiving services have the right to confidentiality for all services including the details of the services. Confidential information should not be discussed with anyone outside the company, and should only be discussed within the company on a "need to know" basis.

Employees authorized to access confidential information must protect the information. Employees must not abuse their access to confidential information or use their job position in order to obtain confidential information that they have no work-related reason to see.

In addition, employees have a responsibility to avoid revealing confidential internal information about the company, its employees, its members and its business associates, except as authorized by management or according to established policies. This includes any non-public business plans, financial, personnel, or technological information.

This rule regarding restricted information disclosures continues indefinitely even after your employment with the company ends. When your employment with the company ends (regardless of the reason), you may not copy, take, or keep any documents, computer disks or other materials containing restricted information. Your agreement to protect the confidentiality of such information indefinitely is considered an important condition of your employment at the company.

## WHAT DOES THIS MEAN TO YOU?

Do not discuss confidential information in places where you can be overheard. Do not share information with anyone who is not directly involved in the member's care unless you have a signed authorization to release the information. Based on specific state regulations, this includes discussing the member's care with his/her family members.

Do not give your computer password to anyone. Be sure to clear your computer screen of information and put away files and papers prior to leaving your work area. Turn computer screens away from the view of unauthorized individuals.

Avoid faxing confidential information. If you must, be sure to use a fax cover sheet that includes a confidentiality statement and phone number to call if an unauthorized person receives the information.

E-mails about members should only be shared with those who have a need to know this information in connection with their specific job function(s). Specific identifying information regarding a member including their name, social security number, address or other information should be kept at a minimum or omitted whenever possible. E-mails sent externally should be password protected or encrypted.

## QUESTIONS & ANSWERS

- Q. What should I say if a member asks me what information we collect about him and what we do with it?*
- A.** Under HIPAA, we are required to post and provide upon request a Notice of Privacy Practices, which tells member what information we collect and how we use it. State law requires us to provide a Notice of Insurance Information Practices and Financial Information Practices.
- Q. I observed a co-worker using the Optima Health computer to look at the birth date of another co-worker. What should I do?*
- A.** Employees may be terminated for accessing information without the need to know. Based on your level of comfort, you have the option of reporting this to your manager, supervisor, Compliance Committee member, or through the Integrity Hotline.

## BUSINESS RECORDS

The records of our company are maintained to provide an accurate and auditable account of all financial transactions. No false or deceptive entries may be made, and all entries must contain an appropriate description of the transaction. All company funds must be retained in corporate bank accounts, and no undisclosed or unrecorded funds or assets shall be created for any purpose. All reports, vouchers, bills, invoices, payroll and service records, time worked, member records, and other essential data must be prepared with care and honesty.

Employees and agents involved in the negotiation of contracts for Sentara and/or Optima Health will ensure that all statements, communications and representations are open, accurate, appropriate, truthful, and comply with applicable laws and regulations. Employees are required to inform their supervisors of conflicts of interest and to refrain from participating in contract negotiations with any vendor, if this situation exists.

The Optima Health Legal Department should approve all provider contracts and should be contacted to approve any substantial changes. Legal involvement is to ensure that any physician contractual arrangements do not violate the Anti-Kickback Statute, Stark Laws and/or IRS regulations. All contractual arrangements with physicians, clinicians, and referral sources must identify the specific services to be paid. Payment for services must be based on time commitments and fair market value rates for compensation. Payment cannot be based on the volume or value of any business referred to Optima Health. All contract payments or other benefits provided to physicians should be supported with adequate documentation to justify the business purpose for which the payment is being made. Unless approved by the Legal Department, requests for payment to physicians must be accompanied by timesheets reflecting the services provided and the time spent on providing each service.

All requests for business records from any regulatory agency shall be prepared in an accurate and timely manner in accordance with applicable laws and regulations. The Legal Department will provide direction for responding to requests for business records.

## WHAT DOES THIS MEAN TO YOU?

Accurate and reliable records are essential for meeting the financial, contractual, and legal obligations of Optima Health. You must take great care to guarantee that all Optima Health records and transactions are complete, accurate, timely and in compliance with Optima Health and Sentara policies and practices.

Your time and attendance record must accurately reflect the number of hours worked. Your supervisor's review of your time and attendance record verifies the accuracy of the hours reported. Supervisors must not place unreasonable pressure on employees that may lead to falsification of time charging.

Employees who document in a handwritten or computerized member record must maintain the accuracy and legality of the record at all times. Record documentation policies and procedures are to be followed at all times. Contact your supervisor if you have questions or concerns about documentation.

## QUESTIONS & ANSWERS

- Q. My manager says I should cut a check to a vendor, but I have no back-up data to justify what the check is for. What should I do?*
- A.** Discuss your concern with your manager. If you do not feel that your concern is being heard, please contact a supervisor, a member of the Compliance Committee, or the Integrity Hotline.
- Q. NCQA is visiting us soon and I have been asked to backdate revised policies and procedures. Is this legal?*
- A.** No. All dates on policies, procedures, plans, forms, and record entries should reflect the actual date they were written or revised. Please report your concern to your next level supervisor, Human Resources, or the Integrity Hotline.

## CONFLICT OF INTEREST

A conflict of interest exists when there is a conflict between a person's private or personal interests and his/her responsibilities as an employee. A conflict of interest may occur if an employee's judgment and discretion are influenced, or could appear to be influenced, by potential personal gain due to a financial, business, or family relationship with a competitor, vendor, or contractor with Sentara or Optima Health. Employees may not use their position to profit personally or to assist others in profiting at the expense of Sentara or Optima Health.

A conflict of interest may include:

1. Ownership or employment with an outside company/vendor that does business with Sentara or Optima Health;
2. Direct or indirect competition with Sentara or Optima Health regarding the purchase and/or sale of property, interests or services;
3. Representation of Sentara or Optima Health in any business deal in which the employee has substantial personal interest;
4. Disclosure or use of confidential or inside information about Sentara or Optima Health for personal profit or advantage;
5. Use of Sentara or Optima Health materials, products, services, programs, procedures, or property for personal profit without prior approval;
6. Gifts, gratuities or entertainment which influence purchasing decisions;
7. Performing work or services or having a business connection with a competitor.

When dealing with or making decisions affecting vendors or customers, employees shall be careful not to unintentionally commit either themselves or the company to a vendor or customer. In conducting business with vendors or customers, employees are expected to act fairly, objectively and in the best interests of the company.

Outside employment may also create a conflict of interest if it places an employee in the position of speaking for the company, providing services significantly similar to those the company provides or may provide, or lessens the effectiveness normally expected of employees.

## WHAT DOES THIS MEAN TO YOU?

You must avoid entering into relationships or activities that could interfere, or appear to interfere, with your judgment in making sound business decisions for Optima Health.

You may not have any employment, consulting, or other business relationship with a competitor or customer or invest in any competitor or customer based on non-public information gained as part of your employment without management's permission. .

Employees shall report outside financial interests of their own or of an immediate family member. Any questions relating to conflicts or potential conflicts of interest should be referred to Human Resources, departmental management, and/or the Compliance Department.

## QUESTIONS & ANSWERS

*Q. I am an Optima Health employee who has been successful in implementing many cost saving practices. I am considering starting a business to help similar companies reduce costs. I will remain in my current position. Is this a conflict of interest?*

**A.** Yes. Employees are required to refrain from engaging in any activities that create a conflict or the appearance of a conflict of interest. Employees are required to discuss questions with their department head, Human Resources, or the Compliance Officer, prior to engaging in any activity or conduct that may create a conflict or the appearance of a conflict of interest.

*Q. Two months after I completed my annual Conflict of Interest statement, I became part owner of a company that sells supplies to Sentara or Optima Health. Do I need to do anything?*

**A.** You must immediately notify your supervisor and complete a new Conflict of Interest Statement. It is important that Sentara and Optima Health be aware of your ownership interest so that appropriate procedures may be followed to protect you, Sentara, and Optima Health.

# GIFTS

## RECEIVING

You and your family members may not **accept**:

1. Money or gifts (regardless of dollar amount) from customers;
2. Money from vendors;
3. Gifts valued \$25 or more

"Gifts" include any item, favor, discount, entertainment, meal, hospitality, loan, personal service, transportation, travel, and lodging, whether provided by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred.

"Gifts" do not include:

1. Loans from banks and other financial institutions on terms generally available to the public;
2. Opportunities and benefits, including favorable rates and commercial discounts, available generally to the public;
3. Rewards and prizes given to competitors in contests or events, including random drawings, open to the public, unless your entry into the contest or event is required as part of your official duties.

## GIVING

With regard to all government employees who work for customers or potential customers of Optima Health, it is our company's policy to disallow our employees **giving** individuals anything of value. There are four (4) exceptions to this rule:

- Offering promotional items of nominal value (\$20.00 or less), such as a calendar or coffee mug, which displays the company logo;
- Offering modest refreshments, such as coffee and donuts in connection with a business discussion;
- Offering a meal on-site to accommodate continuing business meeting with government employees;
- Offering food, refreshments, entertainment, instructional materials at a widely attended event provided the government employee's agency has properly authorized his/her attendance.

## WHAT DOES THIS MEAN TO YOU?

Attending business meals on an infrequent occasion with a vendor or other persons who are or who may have business transactions with Optima Health may be permissible as long as the value and frequency are not extreme and do not influence purchasing or contract decisions.

If you are offered money or a prohibited gift, or if either arrives at your office, home or any other place, inform your department head or the Compliance Department immediately. Appropriate arrangements will be made to return or dispose of the item and the vendor or customer will be reminded of the company's policy.

Never **give** gifts of more than a nominal value (\$20.00 or less) or money of any amount to **anyone in a position to influence member referrals**. . . Physicians may only be given gifts if approved by Senior Leadership and for an amount identified in Stark Laws. All gifts must be logged on the Physician Gift Log on the shared drive.

With regard to non-governmental personnel, it is allowable to provide meals, refreshments, and entertainment with reasonable value, less than \$25.00, in connection with business discussions, provided this does not violate the policies of the recipient's organization. To provide such items valued over \$25.00 requires senior management's approval.

## QUESTIONS & ANSWERS

- Q. A vendor has offered to pay my travel and lodging to attend training on their product. Is this okay?*
- A.** You should not accept this offer as it could be construed as a gift or inducement. Any questions concerning gifts or entertainment should be resolved by contacting your supervisor, Human Resources, or the Compliance Department.
- Q. Occasionally a vendor or a pharmaceutical company we do business with brings lunch to the department. Is this a conflict of interest?*
- A.** No conflict of interest exists if the meal is extended as a business courtesy, does not occur frequently, does not appear to be an inducement for business, is available to everyone, and is less than \$25.00 per person.

## BUSINESS INDUCEMENTS

The Anti-Kickback Act of 1986 prohibits the offering, soliciting, or accepting of any kickback, as well as including any amount of a kickback in a contract with the U.S. or in return for referring an individual to a provider for services paid for by Medicare, Medicaid, CHAMPUS or other federal health programs. A kickback is defined as any money, fee, commission, credit, gift, bonus, thing of value, or compensation of any kind that is provided for the purpose of obtaining or receiving favorable treatment in a contract with the U.S., or in return for a patient referral. In addition, the Anti-Kickback Act requires each contractor to promptly report a violation of the kickback laws to the appropriate Federal agency, Inspector General, or the Department of Justice, if the contractor has reasonable grounds to believe that a violation exists.

The Internal Revenue Service prohibits any individual, including physicians, from receiving a personal benefit as the result of their relationship with a tax-exempt health care organization. A personal benefit could be any amount in excess of fair market value related to a contractual arrangement.

The Stark Law prohibits all referrals for the provision of specific designated health services, if the referring physician or an immediate family member has a financial relationship that is based on referral volume or value with the entity which receives the referral. A financial relationship may be either an ownership or a compensation arrangement. This does not include referrals from a facility or a non-physician to another entity.

Under the Federal Trade Commission Act, advertising must be truthful and non-deceptive. Any promotions or advertisements that include immoral, or unethical, behavior are a violation of the law. All promotional activities including marketing and public relations events are based upon truthful representation of actual services, programs, operations, or successes. Under no circumstances, may marketing publications or advertisements be implemented which ridicule our competitors, customers or members.

All marketing activities must follow the specific regulations of the agency overseeing the product or plan. Specific regulations address the location of marketing activities, the development and distribution of marketing materials, and the monetary value of marketing give-aways and refreshments. Sanctions may be levied for non-compliance.

## WHAT DOES THIS MEAN TO YOU?

Employees are expected to conduct business with all parties including employees, health care professionals, vendors, and payors in accordance with high moral and ethical standards. Employees should never offer *any* type of business courtesy to a customer for the purpose of obtaining favorable treatment or advantage.

Optima Health staff are prohibited from knowingly and willfully soliciting, receiving, offering, or paying any remuneration (cash or in-kind) including any kickback, bribe, or rebate to induce referring an individual to a provider for any item or service for which payment is made. Optima Health will not pay employees, physicians or other health professionals for referrals.

The Optima Health Legal Department should closely review any of the following types of arrangements which may implicate anti-kickback and self-referral laws and regulations:

- Rental of office space to physicians;
- Rental of physician office space to persons or entities to which the physician refers;
- Business arrangement with physician which involves making referrals;
- Employment arrangement or a compensation arrangement that has a productivity requirement;
- Compensation arrangement for products or services which are reimbursed with federal funds;
- Provision of free or discounted products or services, valuable favors, and gifts which may be interpreted as an inappropriate inducement;
- Purchase of divestiture of a medical practice or medical practice assets.

## QUESTIONS & ANSWERS

*Q. I recently saw a signed requisition for several thousand dollars to a physician we do not, but would like to, have a relationship with. What should I do?*

**A.** You should notify your supervisor of a possible violation. If this request is not withdrawn, you should notify a higher level of management or call the Integrity Hotline.

## HEALTH CARE FRAUD WHISTLEBLOWERS

Fraud is defined as intentional deception or misrepresentation made by an entity or person with the knowledge that the deception could result in some unauthorized benefit to the entity or persons. Abuse is defined as practices that are inconsistent with sound economic, business, or medical practices and which result in an unnecessary cost to a government health care program or other health care plan.

The Deficit Reduction Act requires entities receiving more than \$5 million in annual Medicaid funds to develop policies and staff/contractor education concerning the prevention and detection of fraud, waste, and abuse. The Deficit Reduction Act requires investigation of all potential false claims and fraud/abuse; payment coordination; claims payment only for U.S. citizens or qualified aliens; co-payment limit compliance; and electronic claims submission by large providers.

Administrative Remedies For False Claims and Statements states any person who makes, presents, or submits a claim that is false or fraudulent is subject to a civil penalty of not more than \$5,000 for each claim and an assessment of not more than three times the amount of the claim. The Taxpayers Against Fraud Act (Chapter 3, Title 8.01 of Virginia Code) establishes civil penalties of not less than \$5,500 and not more than \$11,000, plus three times the amount of damages sustained by the Commonwealth.

The False Claims Whistleblower Employee Protection Act prohibits a company from discharging, demoting, suspending, threatening, harassing, or discriminating against any employee if the employee reports or assists in the investigation of a false claim. Virginia law also permits whistleblowers to bring actions in the name of the Commonwealth of Virginia and provides protection from discrimination by employers.

The Office of the Inspector General (OIG) is charged with investigating suspected fraud and abuse. The OIG imposes civil monetary penalties and other administrative actions, including program exclusion against providers for fraud and abuse misconduct.

### Resources:

- a) False Claims Act & Fraud/Abuse Regulations
- b) P108 Deficit Reduction Act policy
- c) False Claims policy
- d) Fraud, Waste and Abuse training located on website
- e) Special Investigation Unit (SIU) Website

## WHAT DOES THIS MEAN TO YOU?

All Optima Health employees have the responsibility to report any suspected fraud and abuse activities to their immediate supervisor, the Compliance or SIU Department, to the Fraud, Waste and Abuse Hotline, or by the SIU email.

Optima Health will guarantee all potential fraud and abuse violations will be investigated and actions taken to correct the identified problem. SIU will investigate all reports of fraud, waste, and abuse related to employees, members, employers, brokers, pharmacies, and other vendors per FWA2 Fraud, Waste, and Abuse Detection, Prevention, and Reporting.

Under no circumstances will Optima Health take any adverse action or revenge of any kind against any employee because he reports a suspected violation of Federal or state laws and regulations. If you feel your concerns are not acted on through the Compliance Program, you may take external action under the False Claims Act.

## QUESTIONS & ANSWERS

- Q. I think one of the providers I work with is fraudulently billing. I have discussed it with my supervisor and senior management and all agree an investigation needs to be done. What steps do I take now?*
- A.** Policy FWA2: Fraud, Waste, and Abuse Detection, Prevention, and Reporting, located on the SIU website, explains the process for requesting a SIU investigation.
- Q. I feel Optima Health is involved in some fraudulent activities and I told my supervisor. I just received my evaluation and I don't think it reflects my work performance. In fact, I feel I am being retaliated against for bringing up my concerns. What should I do?*
- A.** Optima Health does not condone any adverse actions or retribution of any kind toward an employee who has reported any concerns about fraud or abuse activities. Please report your concerns to your senior manager, Human Resources, any member of the Compliance Committee or through the Integrity Hotline.

## BILLING PRACTICES

## FALSE CLAIMS

Federal laws and regulations rule billing and claims of members for provided services. Procedures must be strictly followed as defined by laws and regulations. Failure to follow these procedures can lead to exclusion from federal funding including payments from Medicare, Medicaid, and Champus. In addition, this could expose Optima Health to criminal and civil liability.

The Federal False Claims Act covers fraud involving any federally funded contract, including Medicare and Medicaid. Legal responsibility is established for ‘any person who knowingly presents or causes a false or fraudulent claim for payment by the U.S. government’. Knowingly is defined as ‘a person having actual knowledge of false claim information and acting in deliberate ignorance or reckless disregard of the information’. The federal False Claims Act is very broad and prohibits a wide range of practices that may be false or fraudulent. Examples include:

- Submitting false or fraudulent claims for payment with federal funds.
- Making a false record or statement to get a false or fraudulent claim paid.
- Conspiring to have a false or fraudulent claim paid by the government.
- Withholding property of the government with the intention of defrauding the government or of willfully concealing it from the government.
- Making or delivering a receipt for government property which is false or fraudulent.
- Buying property belonging to the government from someone that is not authorized to sell the property.
- Making a false statement to avoid or deceive an obligation to pay money or property to the government.
- Causing someone else to submit a false claim to the government.
- Knowingly use or cause to be used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property.
- Omitting a material fact to get a false or fraudulent claim paid.

State specific False Claims Acts must also be followed. Healthcare providers violating the Federal False Claims Act can be subject to civil monetary penalties ranging from \$10,781 to \$21,562 per false claim and three times the amount of the government’s damages.

The Criminal Penalties for Acts Involving Federal Health Care Programs provides for criminal penalties and a fine of not more than \$25,000 and/or imprisonment for not more than five (5) years for whomever makes false statements or submits false claims.

## WHAT DOES THIS MEAN TO YOU?

Optima Health is committed to having qualified personnel and sound policies and procedures that result in accurate billing and paying of claims. Optima Health is also committed to accurate billing and paying of claims that are medically necessary, reflect the services and care provided to members, and are justified by medical record documentation. Never file or pay a claim for services different from those described in the member record and/or which were actually provided to the member. Ask questions whenever you are unsure about the procedure for submitting or paying a claim or when you are unsure about the accuracy of a claim.

Any employee, contractor, or Optima Health representative who is aware of or suspects any false report or document, false claim, improper billing practices, or violations of company policies and procedures must report their concern to their manager, the Compliance or SIU Department, to the Fraud, Waste, and Abuse Hotline, or by the SIU email. Any violations will be investigated in accordance with P110 Internal Compliance Investigation policy.

## QUESTIONS & ANSWERS

- Q. I have been asked to pay claims for a provider that does not follow acceptable documentation practices. Should I do this?*
- A.** Never pay claims when you know that the provider is billing either incorrectly or without sufficient documentation to support the services being provided. You should report this request to your supervisor or other management staff, as applicable.
- Q. I think that Optima Health has been untruthful in a recent response to a proposal. I feel strongly that false statements were made which will greatly affect the chances of Optima Health winning the contract. Who should I contact?*
- A.** Optima Health does not condone any false statements being made in response to proposals, or to any government agency, client, or those it does business with. All suspected incidents of false statements being made should be reported to your supervisor, the Compliance Department, or to the Integrity Hotline.

## ANTITRUST

The Federal Trade Commission, the U.S. Department of Justice and the state Attorney Generals share the responsibility for enforcing antitrust laws. Antitrust laws promote strong competition by prohibiting agreements among competitors that fix or influence prices, divide geographic or product markets, or boycott other firms. The sharing of information with competitors is a highly sensitive matter, particularly when that information could form the basis of a pricing agreement. Similarly, conduct that could be understood as an agreement with a competitor to market in a certain place or manner, or to refuse to deal with a third party, is dangerous.

Antitrust laws also address conduct by a single firm acting alone. When a firm dominates a particular market by virtue of its market share or other unique competitive advantage, care must be taken in the manner it refers business, acquires customers, uses its leverage to force the purchase of unwanted goods or services, or offers price incentives or discounts to favored buyers.

The submission of bids or proposals to government or private sector members raises the risk of antitrust problems because of the potential for conspiracy among bidders. Agreements among competing bidders on pricing or the allocation of work are among the most serious antitrust violations. They expose bidders to criminal, civil or administrative penalties for misrepresenting facts or otherwise failing to follow regulatory requirements. Shared bidding should be evaluated by management and legal counsel for problems. All bids or proposals should be accurate, complete and directly responsive to the prospective customer's request, and may not contain any information that is false or intentionally misleading.

The antitrust laws are difficult. Companies or their employees guilty of violating these laws can face fines or jail sentences. These laws also allow injured persons or companies to bring lawsuits to recover damages and attorney fees. If you have any questions, ask advice from your supervisor, the Integrity Hotline, or the Optima Health Legal Department before taking any action.

## WHAT DOES THIS MEAN TO YOU?

Know who Optima Health's competitors are. Be aware that your comments should never invite or suggest any agreement to engage in anti-competitive conduct, particularly in the area of pricing. Contact the Optima Health Legal Department for any questions about business decisions involving a danger of violating antitrust laws.

Optima Health considers its pricing information, pricing policies, terms, market studies, business or strategic plans, and any other similar information to be confidential. It is not to be shared with anyone who does not need to know this information. Although it is neither unusual nor improper to obtain information from customers, trade publications, or other legitimate sources about the activities of competitors, it is never proper to communicate such information to, or to receive it from, a competitor.

Where legitimate alternatives are available, it is not the role of Optima Health to direct business to a particular health care provider or firm.

## QUESTIONS & ANSWERS

- Q. I have a friend who works at one of our competitors. We use each other to validate what is occurring in our company or to obtain current information for new policies. Must I stop this?*
- A.** Discussions on prices, costs and terms of contracts or on future business plans or policies are prohibited. They are a breach of the company's confidentiality requirements, and they expose Optima Health to great risk under the antitrust laws.
- Q. Can I call and ask competitors what their current salary ranges are? I need to determine if Optima Health pay is competitive.*
- A.** Contacting a competitor directly to inquire about its internal costs, salaries, or other factors that ultimately affect pricing is improper. There are often alternative means to obtain this information, such as published statistical information or the use of blind surveys conducted by third parties. Questions concerning this should be referred to the Integrity Hotline or to the Optima Health Legal Department.

## COPYRIGHT LAWS

The Copyright Act of 1976 does not allow anyone to use someone else's original material without first getting that person's permission. Copyright laws apply to articles, photographs, books, movies, CD-ROMs, video games, music, sculptures, creative material on the internet, computer software and advertising. Copyright laws last for the life of the author plus seventy years.

You may use material protected by a copyright for:

- Criticism and comment: You may quote a work in a review or criticism to illustrate or comment.
- News reporting: You may summarize a speech or article with quotations when writing a news report.
- Research and scholarship: You may quote a short passage for illustration or clarification when writing a scholarly, scientific or technical work.
- Nonprofit education: You may photocopy limited portions of works for personal or classroom use.
- Spoof: You may imitate, in a comic manner, a well-known work.

The copyright laws provide an exception known as "Fair Use". This rule allows for the limited use of another author's work without asking permission. Short articles or short excerpts from articles may be copied for personal use and should be destroyed once finished. Photocopies may be made for one-time research or educational purposes.

How do you know whether a "Fair Use" condition applies?

- "Fair Use" covers using another's work to create your own work. You must "transform" or merge the information into your own work.
- You may not use the author's protected expression in a work of your own that is similar to the prior work and is aimed at the same market.
- "Fair Use" does not apply if you use an author's material and give him credit. You must still receive the author's permission to use his materials.
- You may never quote more than a few consecutive paragraphs from a book or article or take more than one chart or diagram. It is never proper to include an illustration or other artwork in a book or newsletter without the author's permission. You may not quote more than one or two lines of a poem.
- The more important the original work is, the less likely it may be used under the "Fair Use" rule.
- You may copy articles for personal educational use.

## WHAT DOES THIS MEAN TO YOU?

You may use material with a Copyright if you are using a small portion of someone's work in a non-competitive manner and for the purpose of benefiting the public. You may not use materials with copyrights for a private, commercial, or business gain.

## QUESTIONS & ANSWERS

- Q. What may happen if I wrongfully use someone's original work?*
- A.** The copyright owner may sue and obtain compensation for any losses suffered.
- Q. Someone in the office loaded borrowed software on his computer. What should I do?*
- A.** Software is protected under copyright laws and should not be used unless purchased. This could result in disciplinary action, as well as a financial penalty from the software company. Please discuss this with your co-worker and notify your supervisor if action is not taken. IT policies also govern the use of software on company systems.
- Q. Is it all right to put Optima Health logo on correspondence using the graphic capabilities of computer software we have?*
- A.** The Optima Health logo can be used on external correspondence using preprinted forms and paper. It is not suggested that departments or individuals cut and paste the logo. The logo is copyrighted and as such, strict regulations apply to what it must look like. Click the "Optima Health Graphic Standards" link on WaveNet to see guidelines for appropriate use of the logo.

## USE OF RESOURCES

Employees are expected to preserve Optima Health assets, property, facilities, equipment, and supplies and to follow established internal control procedures in handling and recording all funds and property. Employees must receive approval from a manager prior to engaging in any activity on company time that will result in compensation of the employee or the use of Optima Health equipment, supplies, materials or services for personal or non-work related purposes.

Employees should not use corporate communication services and equipment for personal purposes except in emergencies or when extenuating circumstances warrant it. This includes but is not limited to mail, electronic mail, courier services, facsimiles, telephones, telephone systems, computer networks, on-line services, computer files, telex systems, video equipment and tapes, tape recorders and recordings, pagers, cellular phones, and bulletin boards. Excessive personal use and/or use of the company's computer system (including but not limited to E-mail and Internet access) which in any way compromises the operation or integrity of the company's computer system is grounds for disciplinary action, up to and including termination of employment.

Any improper financial gain to an employee through misconduct involving Optima Health property, including theft of property, embezzlement of money or the use of money belonging to Optima Health for anything other than an authorized purpose, is a serious violation and may lead to legal prosecution.

## POLITICAL ACTIVITIES

The Sentara tax-exempt status prohibits the company from funding or participating in political activities. Therefore, Optima Health funds or assets may not be used for any political party or organization or for any individual who holds public office or is a candidate for public office.

## EQUAL OPPORTUNITY EMPLOYMENT:

Pursuant to Executive Order 11246, Section 503 of the Rehabilitation Act of 1973, and the Veterans Readjustment Assistance Act of 1974, Optima Health, Subcontractors, Suppliers and Vendors are obligated to provide equal employment opportunity without regard to race, religion, sex, national origin, age, genetic information, disability, and/or veteran status.

## WHAT DOES THIS MEAN TO YOU?

Employees are responsible and accountable for the proper payment of company funds and use of company property. Surplus, obsolete or unwanted company property should be properly disposed of and recorded. Unauthorized disposal of property is a misuse of assets.

Use of company equipment such as stamp machines, long distance service, copier, video equipment, etc. is not permitted for personal use, except in emergencies or when extenuating circumstances warrant it.

The E-mail system cannot be used by employees to express discriminatory views, threaten or harass employees, or to advertise information that brings personal or financial gain.

## QUESTIONS & ANSWERS

- Q. I am the secretary of our Civic League and I need to have copies of meeting minutes available to all that come to the meetings. May I use the office copier for this?*
- A.** The office copier should not be used for personal use such as copying of school papers, community meeting minutes, community flyers, invitations, etc. The copier should only be used for activities that are Optima Health business or for Optima Health supported activities.
- Q. I am active in political campaigns and have given donations in support of various candidates. Is this a conflict with my position at Optima Health?*
- A.** There is no conflict as long as you are contributing your personal time and money to political campaigns. The time you contribute must not be part of your normal business hours and in no way can it be inferred that Optima Health is contributing to the campaign. You may not solicit co-workers for contributions.

## RESEARCH

Research will be conducted in accordance with federal standards and the policies of Sentara. Optima Health is committed to supporting ethical research that is dedicated to the advancement of health care knowledge and to the improvement of patient care.

Optima Health is also committed to using federal grant money in compliance with applicable laws, including filing of *assurances*. *Assurances* are forms that come with the grant application and must be completed while receiving grant money. *Assurances* keep the federal government informed about the company's compliance with grant requirements, including money being used as stipulated in the grant. Any employee who forges *assurances* or embezzles government funding is subject to disciplinary action. Failure to comply with the terms of an *assurance* could lead to the termination of all government research funding and/or a lawsuit against Optima Health.

## INSIDER TRADING

Optima Health has a long-standing policy prohibiting trading on insider information. Employees who have material non-public ("insider") information are prohibited from purchasing or selling the stock. Employees may not use insider information for the purpose of communicating such information ("tipping") to those who trade.

Information is "material" if a reasonable investor would consider it important in determining whether to buy or sell the company's stock. Any doubt should be in favor of concluding that information that could have any significance to an investor is material. "Non-public" or "inside" information is information that has not been disclosed to the public.

Supervisors are responsible for taking appropriate steps to prevent their employees from engaging in insider trading. The obligation not to trade while in possession of insider information applies as long as the information is material and non-public and, therefore, may continue even after an employee leaves the company, regardless of the reason for leaving.

## WHAT DOES THIS MEAN TO YOU?

### RESEARCH

Ask your supervisor if you wish to know if a certain drug, device, or procedure has been approved by the government for use in research or if the research has been approved for implementation within Optima Health. Immediately report to your supervisor any knowledge of federal grant money being used in an unauthorized manner.

### INSIDER TRADING

You may not buy and sell in the securities of any company or buy or sell any property or assets on the basis of material non-public ("insider") information you have gotten through your employment at Optima Health.

## QUESTIONS & ANSWERS

- Q. I am working under a research grant that excludes spending money on office furniture and equipment. We have purchased several new computers and I think the grant money was used. What do I do?*
- A.** Using research funds for unauthorized purchases is unethical and in conflict with the Code of Compliance. Notify your supervisor of your concern. If you do not receive a satisfactory response or if you do not feel comfortable discussing this with your supervisor, please discuss your concern with the next higher level of management. You may also call the Integrity Hotline to request an investigation of your concern.
- Q. I understand I cannot use Optima Health information to trade securities. Is it ethical to use information from a vendor to trade securities? What would happen to me if I do?*
- A.** You may not use information that you receive from vendors that is material non-public information. It would be considered inside trading to use this information or to give this tip to others to use. In recent years, the Securities Exchange Commission has aggressively investigated and prosecuted this type of conduct, which is a criminal violation and can result in fines, imprisonment and forfeiture of any profits.

## **CONCLUSION**

### **REPORTING VIOLATIONS**

How do you recognize a possible violation of the laws and regulations that affect Optima Health? Ask yourself the following questions:

- Is this in compliance with the Code of Compliance; Optima Health policies; laws and regulations?
- Have you seen or heard something that you suspect may be incorrect?
- Have you observed any business practices that may be misrepresenting the company?
- How would your family and friends feel about the issue? Would they feel comfortable if they were involved?
- What would the general public think about the issue?

Employees are required to report any suspected violations of this Code of Compliance or other irregularities to their supervisor, Compliance Department, or by calling the confidential Integrity Hotline. Managers and above are to report any suspected problems or issues to the Compliance Department for further investigation. You are encouraged to use the Integrity Hotline whenever you have a question or concern that cannot be addressed within your immediate work environment. The Fraud, Waste and Abuse Hotline is dedicated to reporting fraudulent behavior from staff, providers or members. Calls may be made anonymously. Employees working on contracts with the U.S. Government may also report suspected violations or irregularities to the U.S. Government.

No adverse action or retaliation of any kind will be taken against an employee because he/she reports a suspected violation. If you are reporting your own actions, you may still be subject to disciplinary proceedings to the extent of your personal involvement in the reported activity. Such reports shall be treated confidentially yet permit the company to conduct a complete investigation.

Be certain to read, understand, and adhere to this Code and any other business specific obligations as you carry out your daily activities. If you have any questions, please contact the Compliance Department. As a condition of employment, all Optima Health employees must read and attest that they have read and will comply with the Code of Compliance, which will be provided annually with employee training.

## **SENTARA HEALTHCARE**

### **INTEGRITY HOTLINE**

**1-800-981-6667**

## **OPTIMA HEALTH**

### **FRAUD, WASTE, AND ABUSE HOTLINE**

**1-866-826-5277**

**757-687-6326**

**or by email at**

**[www.compliancealert@sentara.com](mailto:www.compliancealert@sentara.com)**