


# ALIGNMENT CODE OF CONDUCT



Alignment Healthcare





Our commitment to **ethical conduct** and compliance depends on all Alignment Healthcare personnel. If you find yourself in an ethical dilemma or suspect inappropriate or illegal conduct, discuss it with your supervisor or use the reporting process in this Code of Conduct, including the Compliance Hotline toll free at

**1-844-215-2444**

or internet-based reporting at

**[www.reportlineweb.com/cchp](http://www.reportlineweb.com/cchp)**



Alignment Healthcare

# A MESSAGE FROM

JOHN KAO,  
CEO ALIGNMENT HEALTHCARE USA



At Alignment Healthcare, establishing mutually beneficial partnerships is key to creating value for the US healthcare system. As a company, we are committed to providing focused and innovative approaches to the complex problems in delivering health care. In our efforts, employees, patients, regulators, physicians, care professionals, and other participants in the health care system expect – and deserve – honesty and integrity from Alignment at all times and in all matters.

Every day, Alignment defines itself through the actions of our employees and our leadership. Integrity is central to who we are, and my expectation is that we do the right thing, every time. Our standards of ethical behavior and Code of Conduct serve as the foundation of Alignment's Ethics and Compliance Program. They guide our actions, our decisions, and our operations.

Every day, guided by the highest standards of integrity, we are building strong, lasting relationships with our patients, business partners and providers by earning their trust, providing outstanding service and keeping our promises. Each day we must remember our commitment to keeping the people and organizations that use our services at the center of everything we do. By understanding and following the Code, you help safeguard Alignment's integrity and reputation as an ethical, caring company.

Together we will achieve greatness with dignity and pride.

Sincerely,

John Kao

# INTRODUCTION

Alignment Healthcare is dedicated to adhering to the highest ethical standards. Common sense, good business judgment, ethical personal behavior, as well as compliance with applicable laws, policies and procedures are what we expect from all Alignment Healthcare personnel. The Code of Conduct details the fundamental principles, values and framework for action within the organization. It is intended to deter wrongdoing and promote:

- Honest and ethical conduct
- Compliance with all applicable governmental laws, rules and regulations
- Prompt internal reporting of violations and compliance concerns

The Code of Conduct is intended to provide a general overview of basic compliance concepts and to give guidance on acceptable behavior for Alignment Healthcare personnel, including all those who work on behalf of Alignment Healthcare; first-tier, downstream, and related entities (FDRs) — our personnel, vendors, physicians, and others affiliated with us or doing business in Alignment Healthcare facilities or offices.

## MISSION STATEMENT

Alignment Healthcare and its affiliates throughout multiple states provides patient care that is more convenient, accessible and better coordinated, thereby aligning each patient's individual healthcare needs with the most appropriate healthcare providers right in the community. This is possible thanks to the specially designed Alignment Healthcare Centers that we are introducing within the communities we serve. Our centers are home to a wide array of preventive health services, as well as the dedicated clinical teams, that act in coordination with each member's personal physician to provide needed treatment, screenings and care.



# ORGANIZATIONAL STRUCTURE STATEMENT

Honored Citizens Choice Health Plan, Inc., d.b.a. Citizens Choice Health Plan HMO ("Citizens Choice") is a California health care service plan licensed under the Knox-Keene Act. The Plan was incorporated on June 28, 2003, and its application for licensure under the Knox-Keene Act was approved on May 25, 2004. The Plan was awarded a contract with the Centers for Medicare and Medicaid Services on July 1, 2005, and enrolled members in October 2005. The Plan operates as a Medicare Advantage-only plan.

Citizens Choice is a wholly owned subsidiary of Alignment Healthcare USA, LLC ("Alignment USA"), a single-member limited liability company wholly-owned by its sole member, Alignment Healthcare Holdings, LLC.

Alignment Healthcare Holdings, LLC ("Alignment Holdings") is a single-member limited liability company, wholly-owned by its sole member, Alignment Healthcare Partners, LP. Alignment Holdings is a holding company. It is not intended as an operating entity and will have no operational function.

Alignment Healthcare Partners, LP ("Alignment LP") is a limited partnership formed for the purpose of investing in the business of Alignment Healthcare USA, LLC. It is not an operating entity. The partners of Alignment LP consist of entities affiliated with General Atlantic and certain members of the management team of Alignment USA. The general partner of Alignment LP is General Atlantic (ALN HLTH) GP, LLC which is a limited liability company, the sole member and owner of which is General Atlantic (SPV) GP, LLC. The limited partners of Alignment LP are (i) General Atlantic (ALN HLN), LP, which is wholly-owned affiliate of General Atlantic (SPV) GP, LLC and (ii) certain members of the management team of Alignment USA.

Hereinafter, Alignment LP, Alignment Holdings, Alignment USA, Citizens Choice, and any wholly owned subsidiary of Alignment USA, shall be referred to as "Alignment Healthcare."





# PATIENT CARE

Alignment Healthcare is committed to providing high-quality patient care in the communities we serve and advocates a responsive management style, and a patient-first philosophy based on integrity and competence. We treat our patients with respect and dignity by providing high-quality, compassionate care in a clean and safe environment.

The Code of Conduct applies to all Alignment Healthcare personnel, including those who work on behalf of Alignment Healthcare — personnel, vendors, healthcare professionals, and all other personnel affiliated with Alignment Healthcare or doing business in our facilities and offices.

## **HEALTHCARE PROFESSIONALS:**

The Code of Conduct applies to healthcare professionals who work with or are affiliated with Alignment Healthcare facilities. In addition to the guidelines set forth in the Code of Conduct, healthcare professionals are expected to carry and keep current, all required licenses and follow the ethical and professional standards dictated by their respective professional organizations and licensing boards.

## **LEADERSHIP RESPONSIBILITIES:**

We expect our leaders to set the example — to be in every respect a role model. Our leaders should help to create a culture that promotes the highest standards of ethics and compliance. We must never sacrifice ethical and compliant behavior in the pursuit of business objectives.

## CORPORATE COMPLIANCE:

# DO THE RIGHT THING

Alignment Healthcare is committed to full compliance and expects its personnel to obey all applicable state, federal and local laws, to comply with Alignment Healthcare and facility policies and procedures, and to follow the guidelines in this Code of Conduct. Compliance will be an important aspect of performance evaluations. A violation of this Code of Conduct, Alignment Healthcare, facility policies and procedures, or any law or regulation will be handled through normal disciplinary procedures, and may lead to serious disciplinary action, up to and including immediate termination.

## WHAT DOES IT MEAN TO DO THE RIGHT THING?

Following the rules and laws helps us to:

- Get paid correctly
- Improve the quality of patient care
- Protect patient safety

## BEST PRACTICES FOR COMPLIANCE: A DESIGNATED COMPLIANCE OFFICER AND STAFF

- Develop, oversee, and monitor the program
- Create written standards that address Alignment Healthcare's mission and compliance
- Develop on-going employee training programs
- Establish auditing and monitoring systems to track compliance performance
- Respond to investigations or litigations that arise at Alignment Healthcare
- Work closely to address employee questions and concerns about federal rules and regulations and Alignment Healthcare compliance policies



## **ALIGNMENT HEALTHCARE AND FACILITY POLICIES AND PROCEDURES:**

Alignment Healthcare personnel are required to understand and follow all policies and procedures that apply to their work at Alignment Healthcare. If anyone has a question about the applicable legal, policy or procedural requirements, they should ask their supervisor. The Alignment Healthcare Compliance Program policies and procedures are available on the corporate intranet or the Alignment Healthcare Compliance Office.

## **CODE OF CONDUCT:**

- Outlines the requirements to follow state and federal requirements
- Is a tool to help Alignment Healthcare personnel do the right thing
- Distributed to all employees, temporary employees, contractors, FDRs, and volunteers
- Read and understood by everyone and agree to abide by the rules
- Used as a reference when questions arise

## **CODE OF CONDUCT AND HR POLICIES OUTLINE ALIGNMENT HEALTHCARE, EMPLOYEE AND FDR COMPLIANCE RESPONSIBILITIES ABOUT:**

- Legal and regulatory requirements that impact every job and function
- Compliance Hotline, toll-free, 24/7, completely anonymous
  - » (844) 215-2444 or on-line: [www.reportlineweb.com/cchp](http://www.reportlineweb.com/cchp)
- How complaints and non-compliance will be investigated
- Disciplinary actions when issues are identified
- Penalties for serious violations of the code



**LEARN ABOUT**

Healthcare Regulations  
and  
Compliance Program  
Requirements



# ON-GOING EDUCATION AND TRAINING

## **PURPOSE OF FEDERAL, STATE, AND LOCAL HEALTHCARE REGULATIONS:**

- Ensure federal health program integrity
- Maintain the quality of patient care consistent throughout healthcare
- Help ensure proper use of taxpayers' healthcare dollars
- Encourage good management practices that benefit everyone

## **TRAINING THAT INCLUDES AN OVERVIEW OF COMPLIANCE PROGRAM REQUIREMENTS:**

- Compliance risks that directly impact your specific job (medical necessity, documentation, privacy and confidentiality, coding and billing)
- Relationships with vendors about accepting gifts and gratuities
- Your role in the compliance process
- Consequences of non-compliance for you and Alignment Healthcare
- How to spot compliance violations
- Your duty to report concerns or misconduct



# ON-GOING MONITORING AND AUDITING

## **THE PURPOSE OF OVERSIGHT AND AUDITS IS TO:**

- Evaluate how compliance is working
- Correct compliance errors and oversights
- Identify high-risk areas and make policy changes
- Identify and address potential misconduct or criminal activity before Alignment Healthcare is at risk

## **AUDITS ARE:**

- Typically conducted annually by compliance department staff, employees who are not part of the department being audited, or outside auditors
- Formal reviews of how internal compliance policies uphold federal, state, and local laws, regulations, and rules

## **MONITORING IS:**

- Conducted internally by each department on a regular basis to determine whether our Code of Conduct, training programs, and disciplinary actions are fulfilled
- Used to determine if a corrective action plan is working when non-compliance errors occur
- Used on a follow-up basis to determine if corrective actions are working





## CORPORATE COMPLIANCE:

# DO THE RIGHT THING

## LAWS AND REGULATIONS:

### HIPAA/HITECH

Privacy and security laws and regulations that protect patient information, including protected health information (PHI) under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health (HITECH) Act of 2009. Federal and state false claims statutes and whistleblower protections that serve as a key role in preventing and detecting fraud, waste, and abuse in the federal healthcare programs.

### FRAUD AND ABUSE, THE FALSE CLAIMS ACT AND WHISTLEBLOWER PROTECTIONS

Alignment Healthcare intends to fully comply with the federal False Claims Act (FCA) and any similar state laws that fight fraud and abuse in government healthcare programs. The FCA contains a qui tam or whistleblower provision, which permits a private person with knowledge of a false claim for reimbursement by a government agency to file a lawsuit on behalf of the U.S. government. In addition, there are individual state laws providing that persons who report fraud and abuse by participating healthcare providers in the Medicaid Program may be entitled to a portion of the recovery. Under both the FCA and similar state laws, there are protections against retaliation.

### RELATIONSHIPS WITH FEDERAL HEALTHCARE BENEFICIARIES:

Federal fraud and abuse laws prohibit offering or providing inducements to beneficiaries in government healthcare programs and authorize the OIG to impose civil money penalties (CMPs) for these violations. Government healthcare programs include Medicare, Medicaid, Veterans Administration and other programs. Alignment Healthcare personnel may not offer valuable items or services to these patients to attract their business (including gifts, gratuities, certain cost-sharing waivers, and other things of value).

### CODING AND BILLING INTEGRITY

All billing practices as well as the preparation and filing of cost reports must comply with all federal and state laws and regulations as well as Alignment Healthcare and facility policies and procedures. Personnel will assist Alignment Healthcare in identifying and appropriately resolving any coding and billing issues or concerns. Alignment Healthcare will refund overpayments made by a federal healthcare program or other payers in accordance with applicable law.

## CORPORATE COMPLIANCE:

# DO THE RIGHT THING

## LAWS AND REGULATIONS:

### INELIGIBLE PERSONS, EXCLUDED INDIVIDUALS AND ENTITIES:

Alignment Healthcare does not do business with, hire, or bill for services rendered by excluded or debarred individuals or entities. Alignment Healthcare personnel must report to their supervisor or human resources department immediately if they become excluded, debarred or ineligible to participate in any government healthcare program, or become aware that anyone doing business with or providing services for Alignment Healthcare has become excluded, debarred or ineligible.

### MONITORING AND INVESTIGATION

Alignment Healthcare is committed to monitoring and timely investigations into compliance concerns relating to laws, regulations and/or Alignment Healthcare policies and procedures. When a violation is substantiated, Alignment Healthcare will initiate corrective action including, as appropriate, resolving overpayments, making required notifications to government agencies, implementing systemic changes to prevent recurrences, and instituting disciplinary action.

### MEDICAL RECORDS

Alignment Healthcare strives to ensure medical records are accurate and provide information that documents the treatment provided, and supports the claims submitted. Tampering with or falsifying medical records, financial documents or other business records of Alignment Healthcare will not be tolerated. The confidentiality of patient records and information must be maintained in accordance with privacy and security laws and regulations that protect patient information, including protected health information (PHI) under HIPAA and HITECH and applicable state laws.

### EMPLOYMENT

Alignment Healthcare promotes diversity and strives to provide a workplace environment that is in full compliance with all applicable employment-related laws as well as Alignment Healthcare and facility policies and procedures. It is Alignment Healthcare's policy to provide equal employment opportunities to all personnel, prospective and current, without regard to race, color, religion, sex, age, national origin, marital status, disability, or veteran status, and Alignment Healthcare will do its best to make reasonable accommodations for known disabilities. Alignment Healthcare personnel who have questions concerning or are aware of any breach of the Equal Employment Opportunity (EEO) guidelines, should contact the applicable human resources department. Alignment Healthcare prohibits workplace violence, threats of harm, and harassment of its personnel of any kind.

### ENVIRONMENT AND WORKPLACE SAFETY

Alignment Healthcare expects its personnel to obey all state, federal and local environmental and workplace safety laws, regulations and rules, including those promulgated by the Environmental Protection Agency and the Occupational Safety and Health Administration (OSHA).





# COMPLIANCE HOTLINE

## REPORTING SUSPECTED WRONGDOING

Alignment Healthcare is committed to complying with all applicable laws and regulations, including those designed to prevent and deter fraud, waste and abuse. Alignment Healthcare personnel with knowledge of or who in good faith, suspect any wrongdoing are expected to promptly report the matter, using one of the processes described below. There are many ways to report suspected improper conduct. In most cases, concerns should be brought to the attention of a supervisor first. If this does not result in appropriate action, or if personnel are uncomfortable discussing these issues with their supervisors, they can use one or more of the other reporting methods described below:

- Report to an immediate supervisor, manager, applicable Human Resource staff, or the Alignment Healthcare Compliance Office ([compliance@ahcusa.com](mailto:compliance@ahcusa.com)).
- Use the toll-free Compliance Hotline **(1-844-215-2444)** or via the internet at **[www.reportlineweb.com/cchp](http://www.reportlineweb.com/cchp)** — these reports may be made anonymously and are available 24 hours a day, 7 days a week.

Self-reporting is encouraged — anyone who reports their own wrongdoing or violation of law will be given due consideration in potential mitigation of any disciplinary action. Retaliation in any form against anyone who makes a good faith report of actual or suspected wrongdoing or cooperates in an investigation is strictly prohibited. Anyone who feels that they have been retaliated against should report this immediately, using any of the methods described above.







## Alignment Healthcare

The Alignment Healthcare commitment to compliance and ethical conduct depends on all personnel. Should you find yourself in an ethical dilemma or suspect inappropriate or illegal conduct, remember the internal processes that are available for guidance or reporting, including reporting to your supervisor or using the toll-free compliance hotline at **(1-844-215-2444)** or via the internet at **[www.reportlineweb.com/cchp](http://www.reportlineweb.com/cchp)** available 24/7.

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