



**Policy No.**  
**2017.011**

**Responsible Area: Corporate Compliance Department**

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Paul Mancino

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## INTRODUCTION

At Medical Mutual (MMO), we collaborate with our vendor partners to conduct business to the highest degree of integrity in our business dealings.

To meet these objectives, MMO expects its vendor partners to maintain the highest standards of business ethics; become familiar with and comply with all relevant laws and requirements, including anti-corruption laws; and stay abreast of all legal and regulatory changes that are relevant to the business relationship. Further, MMO requires that vendor partners (1) implement effective business controls that prevent and detect unlawful conduct; (2) comply with all contractual provisions, including adherence to all applicable anti-corruption, OIG/GSA, Title 18 and other laws; (3) maintain industry standard security controls to ensure appropriate administrative, technical and physical safeguards are in place to protect MMO's information; (4) grant MMO audit rights to review the vendor partners' compliance with applicable laws and contractual requirements; (5) report to MMO actual or potential violations of this Code of Conduct or laws; and (6) provide annual certification to MMO of their compliance with these laws and requirements

Although MMO recognizes the different legal and cultural environments in which its vendor partners operate throughout the country, vendor partners must comply with the fundamental legal and ethical principles described in this Code of Conduct. This Code of Conduct is applicable to MMO vendor partners, their employees, temporary employees, and independent contractors. An MMO vendor Partner includes any party providing services directly or indirectly to MMO, or its customers, in support of MMO business. A breach of this Code of Conduct will be considered a breach of the vendor Partner's contract with MMO and may lead to the termination of the business relationship.

*We must conduct business to the highest degree of integrity and honesty.*

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# COMPLIANCE WITH LAWS

*We must remain compliant at all times.*

## **Competition Laws**

MMO vendor partners must comply with laws and regulations governing fair trade and competition that are relevant to their business relationship with MMO. In particular, vendor partners may not discuss or enter into a formal or informal agreement with any competitor about any of the following: (a) price; (b) matters affecting price; or (c) bids.

Vendor partners may only use legal means to gather information about sellers of products or services that compete with MMO's products or services.

## **Anti-Corruption Laws**

MMO policy prohibits offers or payments of bribes, kickbacks or gifts to win business or to influence a business decision. Vendor partners, therefore, are prohibited from offering or providing money or anything of value, either directly or indirectly, by employees or through other parties, to anyone with an intent to obtain or retain business or otherwise gain an improper business advantage. In addition, all gifts, favors, or entertainment to federal, state, or local government officials, in the United States, regardless of intent, are strictly prohibited by applicable laws and regulations.

MMO requires its vendor partners to comply with these laws. MMO's definition of a "government official" includes the following classes of people: (1) any officer, employee, or other person working in an official capacity on behalf of a government or department, agency, a political party; or government-owned entity; (2) candidates for a political office; and (3) immediate family members (e.g., parents, children, spouse, and in-laws), close friends, and business associates of a government official. These persons may include procurement officers or CIOs in charge of government departments or projects. Equally important under anti-corruption laws is the necessity for accurate and complete books and records to be maintained regarding sales of MMO products and all transactions relevant to MMO vendor partners' status. False and misleading accounting practices, slush funds and similar financial practices are prohibited by MMO Policies and may violate applicable laws.

MMO expressly prohibits vendor partners from contracting with any entity or individual on MMO's behalf that engages in, or is suspected of engaging in, bribes, kickbacks, or other similar improper or unlawful payments. As an example, MMO may comply with this requirement by adopting third party due diligence procedures.

MMO prohibits vendor partners, or their representatives or employees, from offering or providing cash or non-cash gifts, kickbacks, or entertainment to any MMO employee for any improper purpose, such as influencing him or her to take

a course of action. MMO employees are similarly prohibited from soliciting such items. This prohibition extends to immediate family members of both MMO vendor partner's employees or representatives and MMO employees.

### **Government Sector Sales Rules**

MMO vendor partners must become familiar with, track, understand, and comply with all laws and regulations related to services we provide our government and public sector customers. This includes monitoring activities of all employees and downstream contractors or vendors for such regulations as Title 18 (prohibition of employing someone convicted of a felony for theft or fraud without appropriate waiver), OIG/GSA (prohibition of allocating federal dollars to any entity on the Office of Inspector General or General Services Administrations' exclusion lists), and avoiding spending federal dollars for services performed outside the borders of the United States of America without appropriate waiver or prior consent.

### **Intellectual Property Laws**

Vendor partners must not infringe MMO's trademarks and other intellectual property rights. Vendor partners are also prohibited from infringing on the intellectual property rights of third parties in any manner relevant to the partnership.

### **Human Rights, Labor Laws, and Fair Labor Practices**

MMO vendor partners must comply with all health and safety regulations, laws upholding the rights of persons with disabilities, labor laws, and fair employment and labor practices that are relevant to the partnership.

Finally, vendor partners must never discriminate based on race, color, age, gender, sexual orientation, ethnicity, religion, disability, union membership, marital status, or other protected characteristic.

# ADHERENCE TO FAIR MARKETING PRACTICES

## **Marketing and Sales Practices**

MMO vendor partners' marketing and sales practices must reflect a commitment to honest and fair dealings with their current and potential customers. Vendor partners must not engage in any misleading or deceptive practices or any practices that violate state or federal laws.

## **Advertising Standards**

If a vendor partners is, with MMO's prior written approval, engaged in any advertising, marketing, or promotional activities that reference or implicate MMO, its name, logo, or services in any manner, the advertising, marketing, or promotional materials must comply with all regulations, and must be truthful and accurate. Advertising, marketing, or promotional materials may not be false, misleading, or have a tendency to deceive, and all claims in advertising, marketing, or promotional materials must be substantiated by adequate supporting documentation. All vendor partners' advertising must clearly disclose the material terms and limitations of advertised offers. Vendor partners may not misrepresent products, services, and prices, or make unfair, misleading, inaccurate, or false claims about, or comparisons with, competitor offerings. All advertisements must comply with state and federal laws, including all filing requirements.

*We must be  
honest and  
fair in all  
our  
transactions*

# CONTRACTUAL COMPLIANCE

*Vendors shall conduct their business in a manner to conform with the highest level of ethical business behavior.*

## **Conflicts of Interest**

Vendor partners must avoid engaging in any business activity that would create a conflict of interest relating to their partnership with MMO. The term “conflict of interest” describes any circumstances that should cast doubt on the Partner’s ability to act objectively regarding the supply of services to MMO within the vendor partner relationship. If a vendor partner believes there exists a conflict of interest with MMO or any of its employees, the vendor partner should report all pertinent details to the Chief Compliance Officer or his or her designated representative.

MMO employees are required to comply with MMO’s Code of Conduct. The selection of vendor partners is based on the quality of their services and their business integrity. MMO holds its employees to high ethical standards and requires them to avoid engaging in any activity that involves even the appearance of a conflict of interest. Vendor partners must not ask or encourage MMO employees to violate the provisions of MMO’s employee Code of Conduct.

## **Compliance with Contractual Obligations**

MMO vendor partners must comply with their obligations under MMO contracts, including, but not limited to: (i) granting MMO access to their books and records pursuant to MMO’s contractual audit rights; (ii) compliance with applicable laws, this vendor partner Code of Conduct, and other applicable ethics requirements; and (iii) the requirement of annual compliance certification.

## **Customer Service**

Vendor partners must provide a high level of customer service, including professional call handling, customer relationship management, prompt problem resolution and escalation, where appropriate, and a transactional capability via the internet where requested by the customer.

# COMPLIANCE AND RISK MANAGEMENT

*Assessing risks and putting controls in place to mitigate them confirms your commitment to high ethical standards.*

## **Business Controls**

Vendor partners must maintain effective business controls that are capable of preventing and detecting unlawful conduct by their employees and counterparties. At a minimum, an effective business controls program should contain the following components: (i) periodic risk assessments that lead to adjusting their business controls that take into account the current risk environment; (ii) a written Code of Conduct that expressly confirms their commitment to, and states objectives for, their legal compliance, ethics, environmental, occupational health and safety, and commercial practices; (iii) a designated company representative(s) responsible for overseeing and implementing their legal compliance, ethics, environmental, occupational health and safety, commercial practices, and labor programs; and (iv) clearly communicated mechanisms for employees to report misconduct or seek guidance without fear of retaliation.

## **Confidentiality**

Confidential and proprietary information regarding matters such as MMO's business activities, strategies, plans, structure, technology, customers, financial situation, and performance is critical to MMO's success, and cannot be disclosed or used, except in accordance with applicable regulations, contractual requirements, and this vendor partner Code of Conduct.

Vendor partners must:

- (1) Understand the specific requirements for using MMO's confidential or proprietary information;
- (2) Comply with applicable non-disclosure agreements and contractual confidentiality requirements regarding the information that belongs to or is in possession of MMO;
- (3) Protect personal, confidential or proprietary information in accordance with the Health Insurance Portability and Accountability Act and other applicable state laws and never misuse or disclose such information to unauthorized parties including, but not limited to, protected health information and personally identifiable information.
- (4) Safeguard and appropriately handle MMO's confidential or proprietary information;
- (5) Comply fully with applicable agreements with MMO regarding its use of information about MMO, MMO customers or employees or MMO's name or brand identity publicly, and secure MMO's written approval prior to any deviations; and
- (6) Promptly report actual or suspected violations to MMO's Privacy Officer or his or her designated representative.

## **Investigations and MMO's Ongoing Monitoring of the Vendor Partners' Compliance**

Vendor partners must, consistent with applicable laws and contractual obligations, provide reasonable assistance to any investigation by MMO of a violation of this vendor partner Code of Conduct or applicable laws and allow MMO reasonable access to all documentation concerning the vendor partners' compliance with this vendor partner Code of Conduct and laws applicable to their provision of services to MMO or the sale and distribution of MMO products and services.

### **Reporting Violations**

Vendor partners should contact MMO if they have any questions about this vendor partner Code of Conduct. Vendor partners also must report to MMO any conduct of their employees and representatives, as well as any conduct of MMO's employees and representatives, that is believed in good faith to be an actual, apparent, or potential violation of this vendor partner Code of Conduct, MMO's [Code of Conduct](#), or applicable law. Reports will be handled as confidentially as possible. Reports should be made directly to the applicable MMO business contact; to <https://mmo.ethix360.com/Landing.aspx>; by telephone to the Compliance Helpline at 1-800-762-8130; or if preferable, by email directly to the [CorporateCompliance@mmoh.com](mailto:CorporateCompliance@mmoh.com).