

UMRC & PORTER HILLS

Compliance and Ethics Program

Code of Conduct

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SCOPE OF OUR PROGRAM

Our Compliance and Ethics Program Code of Conduct covers the basic principles of compliance and ethics which all team members must follow. These principles are based on compliance risks, applicable laws and regulations, and guidelines that are relevant to a provider of senior services including Senior Living Communities that provide a wide range of healthcare services. This includes but is not limited to Medicare and Medicaid regulations; guidelines from the Centers for Medicare & Medicaid Services, Office of Inspector General, Internal Revenue Service, and the Office of Civil Rights of the Department of Health and Human Services, Occupational Safety and Health Administration; as well as other federal and state laws and regulations. The Program fosters a culture of compliance that promotes legal and ethical behavior in the workplace by creating processes that detect and prevent fraud, waste, abuse, and policy violations, and incorporates any “lessons learned”. The Code of Conduct is supported by our compliance policies and procedures and should be read and understood jointly with those policies and procedures.

We use the term “team member” to define the various individuals who are associated with United Methodist Retirement Communities (UMRC) & Porter Hills (PH) or their subsidiaries or affiliates (sometimes referred to as UMRC & PH). This includes team members, employees contractors, volunteers, directors, and officers who are part of our team in providing care and services to our residents.

In this document, we use the term “resident” to refer to individuals who receive the various types of healthcare and other services that we provide, though we may use a different term (e.g. clients or elders) in our day to day practice.

Any questions regarding this Code of Conduct, the Compliance and Ethics Program policies and procedures, or related references, should be directed to your immediate supervisor, the Compliance Officer, or a member of the Quality, Ethics & Compliance Committee.

UMRC & Porter Hills are licensed for all services provided that are required under the laws of Michigan, as appropriate, and provide the following services:

- Skilled Nursing
- Assisted Living
- Independent Residential Living
- Certified Home Health Care
- Life Plan Community
- Life Plan at Home
- Program for All-Inclusive Care for the Elderly (PACE) programming

UMRC & PH intends to conduct itself in accordance with business and community ethics and in compliance with applicable laws, rules and regulations. UMRC & PH recognizes the problems that both deliberate and unintentional misconduct can cause. UMRC & PH intends to promote full compliance with all legal duties applicable to it, foster and assure ethical conduct and provide guidance to each team member and agent of UMRC & PH for his/her conduct.

The Code of Conduct contains the principles underlying the compliance and ethics policies of UMRC & PH. It provides guidance to all individuals providing services to, or on behalf of UMRC & PH. All team members of UMRC & PH are required to follow all UMRC & PH policies and procedures. All team members are obligated

to incorporate the Code of Conduct into their daily performance. All team members are responsible for ensuring that their behavior and activity are consistent with this Code of Conduct and the Compliance and Ethics Program.

COMPLIANCE OFFICER

The Vice President of Quality and Compliance serves as the Corporate Compliance Officer. She/he has the responsibility to assist the CEO, and the Board of Directors in designing and overseeing efforts to establish, maintain, and monitor compliance within our organization.

The Compliance Officer works with our CEO, reports directly to the COO, but has direct accessibility and reporting responsibility to the Board of Directors as a Co-chair of the Quality, Ethics and Compliance committee of the board. The Compliance Officer is responsible for continued coordination of the development, implementation, training, monitoring, and enforcement activities related to the Program. The Compliance Officer is assisted by local campus compliance officials (“Campus Compliance Officials”), as identified/necessary, to meet the ongoing needs of our compliance program.

COMPLIANCE PROGRAM MANAGEMENT

Our Board of Directors, through the President/CEO, carries the overall responsibility for creating a culture that values and emphasizes compliance and integrity.

Campus Compliance Officials, under direction by the Compliance Officer, are responsible for coordinating/monitoring the day-to-day compliance activities.

These activities include but are not limited to audits, responses to hotline calls, and training needs. The compliance officer will lead the organization’s Quality, Ethics & Compliance Committee in conjunction with a UMRC & PH board member. Our compliance with privacy and security obligations under the Health Insurance Portability and Accountability Act and related state laws is more specifically set forth in our HIPAA Privacy and Security Policies and Procedures, including our designation of the Compliance Officer as our Privacy Officer (in conjunction with Campus Compliance Officials), and our designation of the VP of Information Technology as our Security Officer.

The UMRC & PH Quality, Ethics & Compliance Committee is a Board of Trustees Committee that is comprised of the Compliance Officer, members of the strategic team, select staff members, and board members. Sub-committees are also formed as a part of this, as needed, to address specific compliance/ethics issues or concerns. The Compliance Officer and a volunteer Board Member elected annually act as the co-chairpersons for this committee. The committee meets at least quarterly, and more frequently as needed.

LETTER TO OUR VALUED TEAM MEMBERS

FROM THE UMRC & PORTER HILLS BOARD OF DIRECTORS

Dear Team Members:

At UMRC & Porter Hills, we have a long tradition of being trusted experts serving seniors with grace. We strive to provide outstanding service that meets our customer needs while setting the standards for valuing and supporting our team members, volunteers, and vendors for their responsiveness to the customer and dedication to our missions.

The healthcare industry is constantly changing and being impacted by numerous laws and regulations. In our desire to be in compliance with these laws and regulations, we have developed a Compliance and Ethics Program that supports UMRC & PH team members in making the right decisions. This document, called the Code of Conduct, represents the overall focus for our Compliance and Ethics Program. The Code of Conduct not only reflects our mission, vision and values but also serves as a bold statement that influences how we enhance a resident's, elders, patient's, participant's quality of life.

The Compliance and Ethics Program and the Code of Conduct exist to guide our normal decisions that are both ethical and compliant with applicable laws, statutes, and regulations. Our Compliance and Ethics Program does not replace each person's obligation in making wise, fair, and honest decisions nor does it replace applicable laws, statutes, and regulations. It is intended to explain our personal and organizational responsibility and to reflect those areas in which improper or unwise decisions can harm our entire organization and impair our commitment to share Christian love and compassion to those we serve.

We value your contribution to the residents and appreciate your support in properly maintaining the most legal and ethical workplace possible. We commend you for your commitment to honesty and integrity, which are also part of UMRC & Porter Hills' values. Each team member is responsible for helping to protect our work environment and its compliance with laws and regulations. We thank you for your commitment and contribution to UMRC and Porter Hills' mission, values and, most importantly, to our residents.

Sincerely,
The UMRC & Porter Hills Boards of Directors

UMRC & Porter Hills Code of Conduct

INTRODUCTION

The Code of Conduct is the foundation of the Compliance and Ethics Program. The Code of Conduct is an overall guide to appropriate workplace behavior; it will help you make the right decisions if you are not sure how to respond to a situation. More detailed information is set forth in the Compliance and Ethics Program policies and procedures. All team members must comply with both the spirit and the letter of all federal, state, and local laws and regulations that apply to the healthcare and other services that our organization provides, as well as all laws that apply to our business dealings. Violations of these laws and regulations can result in severe penalties for us and for involved individuals including financial penalties, exclusion from participation in government programs, termination of employment, and, in some cases, imprisonment.

As team members, we share a commitment to legal, ethical, and professional conduct in everything that we do. We support these commitments in our work each day, whether we care for residents, order supplies, prepare meals, keep records, pay invoices, or make decisions about the future of our organization.

The success of UMRC & Porter Hills as providers of healthcare and other services depends on you, your personal and professional integrity, your responsibility to act in good faith, and your obligation to do the right things for the right reasons.

The Compliance and Ethics Program provides principles and standards to guide you in meeting your legal, ethical, and professional responsibilities. As a team member, you are responsible for supporting the Compliance and Ethics Program in every aspect of your workplace behavior. Your working relationship with our organization includes understanding and adhering to the Compliance and Ethics Program.

Important components of our Code of Conduct are:

Care Excellence – providing quality, compassionate, respectful, and clinically-appropriate care.

Professional Excellence – maintaining ethical standards of healthcare and business practices.

Regulatory Excellence – complying with federal and state laws, regulations, and guidelines that govern healthcare, housing services, employment and other services we provide.

A SHARED RESPONSIBILITY

Because we are in the business of caring for and providing services for others, it is critical that each of us adheres to appropriate standards of behavior. As individuals and as an organization, we are responsible to many different groups. We must act legally, ethically and responsibly in our relations with:

Residents/Elders/Patients/Participants/Members and their families;
Team members and co-workers;
Volunteers and affiliated colleagues;
Healthcare payers, including the federal and state governments;
Regulators, auditors, surveyors, and monitoring agencies;
Physicians, Nurse Practitioners, Physician Assistants;
Vendors and contractors;

Business associates; and
The communities we serve.

Any compromise in our standards could harm our residents, our team members, and our organization. Like every organization that provides healthcare, we do business under very strict regulations and close governmental oversight. Fraud, waste, and abuse are serious issues. Sometimes even an innocent mistake can have significant consequences that could result in substantial penalties to UMRC & PH.

All team members are required to complete training on the Compliance and Ethics Program as a condition of employment or business relationship. The Compliance and Ethics Program sets forth mandatory standards for team member compliance.

Every team member is responsible for ensuring that he or she complies with the Compliance and Ethics Program. Any team member who violates any of these standards and/or policies and procedures is subject to the disciplinary process, up to and including termination in addition to fines or penalties applicable under the law.

A PERSONAL OBLIGATION

As we are each responsible for following the Compliance and Ethics Program in our daily work, we are also responsible for enforcing it. This means that you have a duty to report any problems you observe or perceive, regardless of your role. You also have a duty to participate in annual training and all required follow up training on the Compliance and Ethics Program.

As a team member, you must help ensure that you are doing everything practical to comply with applicable laws. If you observe or suspect a situation that you believe may be unethical, illegal, unprofessional, or wrong, or if you have a clinical, ethical, or financial concern, you must report it.

UMRC & PH team members have an affirmative duty to report known problems, concerns or any possible violations of law or improper activity by its team members, volunteers, agents and contractors. Team members who report their own illegal acts or improper conduct will have such self-reporting taken into account in determining the appropriate disciplinary action.

Team members must promptly report above mentioned areas of concern. These may be reported to their manager/supervisor, department head, Administrator, or a member of the Operations Leadership or Strategic Leadership Teams. Operations Leadership or Strategic Leadership Team Members receiving your reports must inform UMRC & PH's Compliance Officer.

Team members may also report known issues directly to the Compliance Officer via one of the methods outlined in this plan as part of our corporate compliance program. Additionally, team members may report compliance concerns through the compliance hotline.

Through the disciplinary and/or legal process, UMRC & PH will address team members who have knowledge of problems but who do not report these possible violations of law or improper activity.

As well, UMRC & PH reserves the right to discipline any team member who makes an accusation who knowingly provides false information or makes false accusations. Such discipline may result in termination of a director, officer or team member and, if warranted, legal proceedings may be initiated.

UMRC & PH upholds zero tolerance for retaliation. No one may retaliate against someone who reports a concern in good faith. UMRC & PH will not directly or indirectly retaliate against a team member or any individual who makes reports regarding possible violations of law or improper activity.

REPORTING COMPLIANCE CONCERNS

Anyone can make a report of a potential compliance issue in one of several ways.

- The reporting party may utilize our Compliance Web Portal or Hotline (see below),
- A report can be submitted directly to the Compliance Officer via phone at 734-433-1000, Ext. 7564,
- A concern form may be submitted to the compliance officer by mail or email, or
- By attending an in-person meeting at a mutually agreeable time and location.

Regardless of the method of reporting used, the reporting party can choose to remain anonymous. To the extent permitted by law, we will take reasonable precautions to maintain the confidentiality of those individuals who report illegal activity or violations of the Compliance and Ethics Program and of those individuals involved in the alleged improper activity, whether or not it turns out that improper acts occurred.

COMPLIANCE WEB PORTAL OR HOTLINE

Compliance Web Portal or Hotline

ETHICS POINT

1-888-315-3965

All calls are confidential and you may remain

ANONYMOUS if you choose.

The Compliance web portal/hotline may also be accessed via our websites at

www.umrc.com or www.porterhills.org

(Under the Corporate Compliance link)

OR

directly at:

www.umrcph.ethicspoint.com

The Compliance Line is available 24 hours a day, 7 days a week, for callers to report compliance-related issues. Concerns that are reported to the Compliance Line are taken seriously and all reports are investigated and followed-up on.

You can make calls to the Compliance Line without fear of reprisal, retaliation, or punishment for your actions. Anyone, including a supervisor who retaliates against a team member for contacting the Compliance Line or reporting a compliance issue in any other manner, will be subject to disciplinary action.

Care Excellence

Our most important job is providing quality care to those we serve. This means offering compassionate support to our residents, elders, patients, and participants and working toward the best possible outcomes while following all applicable rules and regulations including the Medicare Conditions of Participation.

UMRC & PH team members shall demonstrate a commitment to quality and strive to provide high quality care.

It is expected team members will:

- Provide appropriate care based on medical need, without regard to race, color, religion, sex, sexual orientation, gender identity, sex-based and gender-based stereotypes, national origin, age, physical or mental disability, citizenship, marital status, height or weight, past or present membership in the uniformed services, veteran status, or any other legally protected category under federal, state or local laws.
- Provide care consistent with its policies and procedures.
- Respect and maintain the dignity of every resident and strive to provide care in a manner sensitive to cultural differences and individual desires.
- Report, through the appropriate channels any situations that compromise the provision of quality care.

Our primary commitment is to provide the care, services, and resources necessary to help each resident, patient, elder, participant and member reach or maintain his or her highest possible level of physical, mental, and psychosocial well-being. UMRC & PH has policies and procedures and provides training and education to help each team member strive to achieve this goal.

Our care standards include but are not limited to:

- Accurately assessing the individual needs of each individual and developing interdisciplinary care plans that meet those assessed needs;
- Reviewing goals and plans of care to ensure that the individual's ongoing needs are being met;
- Providing only medically necessary, physician prescribed services and products that meet the individual's clinical needs;
- Confirming that services and products (including medications) are within accepted standards of practice for the individual's clinical condition;
- Ensuring that services and products are reasonable in terms of frequency, amount, and duration;
- Measuring clinical outcomes and resident, elders, patient's, and participant satisfaction to confirm that quality of care goals are met;
- Providing accurate and timely clinical and financial documentation and record keeping;
- Ensuring that each individual's care is given only by properly licensed and credentialed providers with appropriate background, experience, and expertise;
- Reviewing care policies and procedures and clinical protocols to ensure that they meet current standards of practice; and
- Monitoring and improving clinical outcomes through a Quality Assurance Performance Improvement (QAPI) Committee with established benchmarks.

RESIDENT RIGHTS

Residents, elders, patients, and participants receiving healthcare and other services have clearly defined rights. A document describing these rights is provided to each upon admission and is posted in conspicuous locations throughout the organization for all to reference.

To honor these rights, we must:

- Make no distinction in the admission, transfer, or discharge of a resident, elder, patient, or participant, or in the care we provide on the basis of race, color, religion, sex, sexual orientation, gender identity, sex-based and gender-based stereotypes, national origin, age, physical or mental disability, citizenship, marital status, height or weight, past or present membership in the uniformed services, veteran status, or any other legally protected category under federal, state or local laws.
- Treat all residents, elders, patients, and participants in a manner that preserves their dignity, autonomy, self-esteem, and civil rights;
- Protect every resident, elder, patient, and participant's from physical, emotional, verbal, or sexual abuse or neglect;
- Protect all aspects of residents, elders, patients, and participants' privacy and confidentiality;
- Respect residents, elders, patients, and participants' personal property and money and protect it from loss, theft, improper use, and damage;
- Respect the right of residents, elders, patients, and participants and/or their legal representatives to be informed of and participate in decisions about their care and treatment;
- Respect the right of residents, elders, patients, and participants and/or their legal representatives to access their medical records as required by the Health Information Portability and Accountability Act (HIPAA);
- Recognize that residents, elders, patients, and participants have the right to consent to or refuse care and the right to be informed of the medical consequences of such refusal;
- Protect resident, elder, patient, participants' rights to be free from physical and chemical restraints; and
- Respect the residents, elders, patients, participants' right to self-determination and autonomy.

ABUSE AND NEGLECT

UMRC & PH will not tolerate any type of resident, elder, patient or participant abuse or neglect – physical, emotional, verbal, financial, or sexual. All must be protected from abuse and neglect by team members, family members, legal guardians, friends, or any other person. This standard applies to all residents, elders, patients, and participants at all times.

Federal law defines abuse as the willful infliction of injury, unreasonable confinement, intimidation, or punishment with resulting physical harm, pain, or mental anguish. Instances of abuse of all residents, elders, patients, or participants, even those in a coma, can or may cause physical harm, pain, or mental anguish.

Neglect means failure to provide goods and services necessary to avoid physical harm, mental anguish, or mental illness. The failure to follow a resident, elder, patient, or participant's care plan may constitute neglect or abuse.

The State of Michigan defines abuse as:

Abuse – Harm or threatened harm to an adult's health or welfare caused by another person. Abuse may be physical, sexual, or emotional.

The term includes the following:

- **Verbal Abuse** - Any use of oral, written, or gestured language that willfully includes disparaging and derogatory terms to clients or their families, or within their hearing distance, regardless of age, ability to comprehend or disability;
- **Sexual Abuse** – Includes sexual harassment, sexual coercion or sexual assault;
- **Physical Abuse** – Includes hitting, slapping, pinching, kicking. The term also includes controlling behavior through corporal punishment or deprivation
- **Mental Abuse** – Include humiliation, harassment, threats of punishment or deprivation;
- **Involuntary Seclusion** – Includes separation of a resident from other residents, from his or her room or confinement to his or her room against the resident's will or the will of the resident's legal representative;
- **Neglect** – The deprivation by a caretaker of goods or service which are necessary to maintain physical or mental health (e.g. a caregiver failing to respond to a call light within expected timeframe).

Any team member who willfully and knowingly abuses or neglects a resident, elders, patient or participant is subject to termination. In addition, legal or criminal action may be taken. Any suspected or known abuse and neglect MUST BE REPORTED IMMEDIATELY to your supervisor or other member of management.

ELDER JUSTICE ACT

The Elder Justice Act requires timely reports of any reasonable suspicion of a crime against a resident of a long-term care facility.

The Nursing Home Administrator or designee must report your reasonable suspicion to the State of Michigan through the Department of Licensing and Regulatory Affairs (LARA) and local law enforcement within two (2) hours if the suspected crime involves serious bodily injury or within 24 hours if the suspected crime does not involve serious bodily injury.

DO NOT call the Compliance Line for allegations of abuse or neglect.

Report suspected abuse or neglect immediately to your supervisor!

RESIDENT CONFIDENTIALITY / HIPAA

UMRC & PH team members have access to a variety of confidential, sensitive, and proprietary information. Inappropriate use of this information could be harmful to the resident, elders, patient, participant, team member, or their families and the corporation. Every UMRC & PH team member has the obligation to actively protect and safeguard confidential, sensitive, and proprietary information in a manner designed to prevent the unauthorized disclosure of this information.

All Team Members must use and disclose medical, financial, or personal information only in a manner consistent with the UMRC & PH HIPAA Privacy and Security policies and procedures and state and federal law.

You are responsible for keeping resident, elders, patient and participant protected health information (PHI) confidential. PHI is defined as individually identifiable health information that is transmitted or maintained in any form or medium, including both paper and electronic health information.

Any unauthorized exposure of PHI which compromises the security or privacy of information is a potential breach.

If you become aware of a suspected breach of any protected or sensitive information, it is important that you report it immediately to your supervisor and/or the Compliance Officer.

If the disclosure results in a breach, UMRC & PH must investigate and comply with all state and federal HIPAA regulations for breach notification.

UMRC & PH has a Confidentiality Agreement that applies to all team members which is reviewed and acknowledged upon hire.

Business Associate Agreements and Non-Disclosure Agreements address confidentiality expectations for vendors.

Further detail and information regarding privacy and security obligations with respect to PHI is set forth in the UMRC & PH HIPAA Privacy and Security policies and procedures.

RESIDENT PROPERTY

Team Members must respect resident, elders, patient and participant personal property and protect it from loss, theft, damage, or misuse. Team Members who have direct access to resident, elders, patient, or participant funds (e.g. resident trust funds) must maintain accurate records and accounts.

MEDICAL SERVICES

We are committed to providing comprehensive, medically necessary services for those we serve. The Medical Director provides oversight to physicians and other medical providers and services as defined by state and federal regulations.

The Medical Director oversees the care and treatment policies and is actively involved in the Quality Assurance Performance Improvement (QAPI) Committee.

PROFESSIONAL EXCELLENCE

The professional, responsible, and ethical behavior of every team member reflects on the reputation of our organization and the services we provide.

Whether you work directly with residents, elders, patients or participants or in other service areas, you are expected to maintain our standards of honesty, integrity, and professional excellence, every day.

HIRING AND EMPLOYMENT PRACTICES

UMRC & PH is committed to fair employment practices. When hiring and evaluating, we:

- Comply with federal, state, and local Equal Employment Opportunity laws, hiring the best qualified individuals regardless of race, color, religion, sex, sexual orientation, gender identity, sex-based and gender-based stereotypes, national origin, age, physical or mental disability, citizenship, marital status, height or weight, past or present membership in the uniformed services, veteran status, or any other legally protected category under federal, state or local laws.
- Ensure promotions, demotions, transfer evaluations, compensation, and disciplinary actions are also done without discriminatory practice and in alignment with applicable employment laws.
- Conduct employment screenings to protect the integrity of our workforce and welfare of our residents and team members.
- Ensure all who require licenses or certifications maintain their credentials in compliance with state and federal laws. Documentation of licenses or certifications must be provided and ~~is~~ verified with the appropriate licensing board.
- Conduct exclusion screening as set forth below.

TEAM MEMBER SCREENING

Team members are screened in accordance with federal and state law to ensure the safety of our residents. Screening procedures have been implemented and are conducted prior to hire and monthly thereafter.

As long as you are employed or affiliated with UMRC & PH, you must immediately report to your supervisor:

- If at any time you are arrested or indicted for a criminal offense;
- If at any time you are convicted of an offense that would preclude employment in a healthcare facility;

- If action has been taken against your license or certification; or
If you are excluded from participation in a federal or state healthcare program, including but not limited to Medicare.

LICENSURE, CERTIFICATION AND EXCLUSION SCREENING

We are committed to ensuring that only qualified professionals provide care and services to residents, elders, patients, and participants. Practitioners and other professionals treating individuals must abide by all applicable licensing, credentialing and certification requirements. In addition, every effort is made to validate licenses and certification through the appropriate state or federal agency. All onboarded physicians/physician extenders are subject to the UMRC & PH Credentialing process.

UMRC & PH is prohibited by federal law from employing, retaining, or contracting with anyone who is excluded from any federal or state funded programs. Screening of all team members through the Office of Inspector General's List of Excluded Individuals and Entities, System of Award Management (SAM), and the Michigan Medicaid Excluded Provider List database is conducted prior to hire and monthly thereafter, as long as UMRC & PH participates with a Federal healthcare program.

TEAM MEMBER RELATIONS

To maintain an ethical, comfortable work environment, team members must:

- Refrain from any form of sexual harassment, bullying or violence in the workplace;
- Treat all colleagues and co-workers with equal respect, regardless of their race, color, religion, sex, sexual orientation, gender identity, sex-based and gender-based stereotypes, national origin, age, physical or mental disability, citizenship, marital status, height or weight, past or present membership in the uniformed services, veteran status, or any other legally protected category under federal, state or local laws.
- Protect the privacy of other team members by keeping personal information confidential and allowing only authorized individuals access to the information;
- Not supervise or be supervised by an individual with whom they have a close personal relationship (refer to Nepotism policy) or allow a close personal relationship to interfere with business decisions and
- Always behave professionally and use respectful communication.

WORKPLACE SAFETY

Maintaining a safe workplace is critical to the well-being of our residents, elders, patients, participants, visitors, and team members. Policies and procedures have been developed describing the organization's safety requirements, including emergency procedures for fire, severe weather and other such events.

Every team member should become familiar with safety regulations and emergency plans regarding fire or other potential safety concerns in his or her work area. This also includes actively participating in scheduled safety drills.

In addition to organizational policies, we must abide by all environmental laws and regulations. You are expected to follow organizational safety guidelines and to take personal responsibility for helping to maintain a secure work environment.

If you notice a safety hazard, you must take action to correct it if you can or to report it to your supervisor immediately.

DRUG, MARIJUANA AND ALCOHOL USE

We are committed to maintaining a team dedicated and capable of providing quality resident services. To that end, you are prohibited from consuming any illegal substance or any other substance that impairs your ability to perform your duties or otherwise provide quality services to those we care for.

Use, possession, sale, distribution, manufacture, delivery, transfer, purchase, or being under the influence of marijuana or illegal drugs, including prescription drugs without a valid prescription, as well as the abuse of alcohol or over-the-counter drugs is strictly prohibited at any time on UMRC or PH premises, in a UMRC or PH vehicle, or while on UMRC or PH business or UMRC or PH time.

An "illegal drug" includes controlled substances, a drug not legally obtained, and a drug not being used for its intended purpose, in its prescribed quantity, or by the person for whom it was prescribed. While marijuana may be legal in the State of Michigan, it is still an illegal substance according to federal law. Since we accept payments from Medicaid and Medicare, UMRC and Porter Hills considers this a prohibited and unauthorized drug.

Therefore, it is UMRC & PH policy that:

- You may not report to work under the influence of alcohol, marijuana, illegal drugs, or any controlled substance or prescription drug not medically authorized or subject to prior UMRC & PH approval; and
- You may not possess or use alcohol, illegal drugs, marijuana or any controlled substance or prescription drug not medically authorized while on UMRC or PH property or on UMRC or PH business.

For a team member who appears to have work performance problems related to drug or alcohol use, a drug and alcohol screening may be conducted and appropriate follow-up action will be taken, if necessary.

Illegal, improper, or unauthorized use of any controlled substance that is intended for a resident is prohibited. If you become aware of any improper diversion of drugs or medical supplies, you must immediately report the incident to your department supervisor and the Compliance Officer or use the Compliance Line. Failure to report a known instance of noncompliance with this policy may result in disciplinary action against the team member, up to and including termination.

For more information, please refer to the Drug Free Workplace Policy.

PROFESSIONAL EXCELLENCE

UMRC & PH are committed to conducting business with high standards of business ethics and integrity.

UMRC & PH will strive to ensure that all activity by or on behalf of the corporation is in compliance with applicable laws.

UMRC & PH will make efforts to ensure that all statements, communications, and representations of its team members are accurate, complete, truthful and in compliance with applicable laws and regulations.

UMRC & PH team members shall perform their duties in a manner that promotes public trust.

UMRC & PH team members shall not knowingly pursue any business activity that requires engagement in unethical or illegal activity.

UMRC & PH will, to the best of its knowledge and understanding, ensure that all reports or other information required to be provided to any federal, state, or local government agency is filed accurately and in conformance with the applicable laws and regulations governing such reports or information.

UMRC & PH will transact business with others in a fair, ethical, and lawful manner.

ORGANIZATIONAL RELATIONS

Professional excellence in organizational relations includes:

- Complying with federal tax law to maintain tax exempt status under section 501(c)(3) of the Internal Revenue Code;
- Maintaining company privacy and keeping proprietary information confidential;
- Avoiding outside activities or interests that conflict with responsibilities to UMRC & PH and reporting such activity or interest prior to and during employment;
- Allowing only designated management staff to report to the public or media; and
- Requiring that UMRC & PH complies with the licensing and certification laws that apply to its business.

PROPRIETARY INFORMATION

In the performance of your duties you, may have access to, receive, or may be entrusted with confidential and/or proprietary information that is owned by UMRC & Porter Hills that is not presently available to the public.

Disclosure of proprietary and sensitive information to any unauthorized person or the use of such information for personal benefit is prohibited.

This type of information should never be shared with anyone outside the organization without authorization from a member of the strategic leadership team.

Examples of proprietary information that should not be shared include but is not limited to:

- Resident and team member data and information;
- Details about clinical programs, procedures, and protocols;
- Policies, procedures, plans, and forms;
- Training materials;
- Current or future charges or fees or other competitive terms and conditions;
- Current or possible negotiations or bids with payers or other clients;
- Compensation and benefits information for staff;
- Stocks or any kind of financial information; and
- Market information, marketing plans, or strategic plans.

GIFTS

Team members may not accept any tip or gratuity from residents, elders, patients, participants and may not receive individual gifts from them or family members. Buying gifts for residents, elders, patients, participants is also discouraged. If a team member is aware that a resident, elders, patient, or participant in need of something, please report it to your supervisor to be addressed through the proper channels. The only exception to the above tip/gratuity is a one time per year gift/tip offered by residents in an organized manner. This gift/tip is coordinated through Operations Leadership and Human Resources and is the only time per year an exception is permitted.

Team members may not borrow money from nor lend money to any resident, elder, patient, or participant. Loans to team members from vendors doing business with UMRC and/or PH are prohibited.

Team members may not engage with residents, elders, patients, or participants or their families in the purchase or sale of any item. No team member may accept any gift from a resident, elder, patient or participant under a will or trust instrument except in those cases where they are related by blood or marriage.

Team members may not serve as a resident, elder, patient, or participant's executor, trustee, administrator, or guardian or provide financial services or act under a power of attorney except in those cases where they are related by blood or marriage unless otherwise allowed by state law.

No team member shall be a witness to a legal document, for a resident, elder, patient or participant.

Financial and in-kind donations to and sponsorship of UMRC and/or PH can be accepted only by the President and Chief Executive Officer of UMRC & PH or the President of the UMRC & PH Foundation or their designees.

BUSINESS COURTESIES

Federal and State laws and regulations prohibit the acceptance of anything of value, whether offered directly or indirectly or whether it is in cash or in kind, that may induce or appear to induce the purchase, recommendation or referral for any kind of item or service that may be reimbursed by a federal or state health care program or other payor.

UMRC & PH prohibits any team member from the following because such actions could be interpreted as attempts to improperly influence decision making:

- offering, giving, soliciting, or accepting business courtesies including entertainment and gifts.
- soliciting or accepting professional courtesies such as free or discounted services from current or potential recipients of referrals from UMRC and/or PH.
- offering or giving professional courtesies such as free or discounted services to current or potential referral sources of UMRC and/or PH.

Under no circumstances will a team member solicit or accept business courtesies, entertainment or gifts that depart from the Business Courtesies Policy and conflict of interest policies. Team members will not offer, give or facilitate the giving of Business Courtesies to current or potential referral sources or their immediate family members) except as set forth in the Business Courtesies Policy.

CONFLICT OF INTEREST

UMRC & PH appropriately assesses and mitigates any risk that any team member's (or their immediate family member's) financial interests or relationships may bias or compromise or have the appearance of biasing or compromising such team member's judgment, objectivity, or decision-making when conducting activities on behalf of UMRC and/or PH, or providing services to residents.

A conflict of interest exists any time your loyalty to the organization is, or even appears to be, compromised by a personal interest.

UMRC & PH team members are expected to avoid conflicts of interest, actual impropriety and/or influence of outside activities on business decisions of UMRC & PH or from the disclosure or private use of business affairs or plans of UMRC & PH.

There are many types of conflict of interest and these guidelines cannot anticipate them all, however the following provide some examples:

- Financial involvement with vendors or others that would cause you to put their financial interests ahead of ours;

- Team member/Officer participation in public affairs, corporate or community directorships, or public office;
- An immediate family member who works for a vendor or contractor doing business with the organization and or who is in a position to influence your decisions affecting the work of the organization;
- Participating in transactions that put your personal interests ahead of UMRC & PH or cause loss or embarrassment to the organization;
- Taking a job outside of UMRC and/or PH that overlaps with your normal working hours or interferes with your job performance; or
- Working for UMRC and/or PH and another vendor that provides goods or services at the same time.
- Participating in outside employment from UMRC and/or Porter Hills that interferes with your UMRC and/or Porter Hills commitments or distracts you from effectively completing your work for UMRC and/or Porter Hills.

All team members must seek guidance and approval from our CEO or Compliance Officer before pursuing any business or personal activity that may constitute a conflict of interest.

UMRC & PH team members owe a duty of loyalty to the corporation and are prohibited from using their position with UMRC and/or PH, or knowledge obtained through their position, to profit personally or to assist others in profiting at the expense of UMRC & PH or our residents.

Any real or potential conflict of interest must be reported.

For additional information, refer to our Conflict of Interest policy.

USE OF PROPERTY

We must protect the assets of UMRC & PH and ensure their authorized and efficient use. Theft, carelessness, and waste have a direct impact on the organization's viability. All assets must be used solely for legitimate business purposes.

Team members must ensure they:

- Only use UMRC & PH property for its intended business use, not personal use;
- Exercise good judgment and care when using supplies, equipment, vehicles, and other property; and
- Respect copyright and intellectual property laws; or
- If unable to assess the copyright or intellectual property laws, never copy material and/ or download software.

UMRC & PH team members will strive to preserve and protect our assets by making wise and effective use of resources and by accurately reporting its financial condition.

COMPUTERS /INTERNET/CELLULAR

Team members are expected to use computers, company issued phones, email, UMRC & PH social media and internet/intranet systems appropriately and according to the established policies and procedures. Use of the Internet for improper or unlawful activity or download any games or music without prior approval is prohibited.

Internet use can be tracked and how you use your time on the Internet may be monitored. You should have no expectation of privacy when you use UMRC and/or PH computers, email, equipment, hardware, software, and internet/intranet UMRC & PH have the right to sanction or discipline team members who violate the Code of Conduct in a digital, cyber, or other non-face-to-face environments.

Team members should be familiar with our Social Media policy to ensure they remain compliant with expectations.

Team members shall also refer to our HIPAA Privacy and Security policies and procedures with respect to use of technology that affects PHI.

VENDOR RELATIONSHIPS

UMRC & PH takes responsibility for being an ethical organization and dealing with vendors honestly and ethically. We are committed to fair competition among prospective vendors and contractors for our business. Arrangements between UMRC and/or PH and its vendors must always be approved by way of written agreements and/or contracts. Certain business arrangements must be detailed in writing, and approved by management. Business arrangements involving a source of referrals of business may implicate further federal and state laws such as the Federal Anti-Kickback law, and require legal review before implementing and signing relevant agreements.

Agreements with contractors and vendors who receive resident information, with the exception of care providers, will require a Business Associate Agreement (BAA) with the organization as defined by HIPAA and as further set forth in our HIPAA Privacy and Security policies and procedures. Contractors and vendors who provide resident care, reimbursement, or other services to resident beneficiaries of federal and/ or state healthcare programs are subject to this Code of Conduct and must:

- Maintain defined standards for the products and services they provide to us and our residents;
- Comply with all policies and procedures as well as the laws and regulations that apply to their business or profession;
- Maintain all applicable licenses and certifications and provide evidence of sanction screening, current workers compensation, and liability insurance as applicable; and
- Require that their team members are familiar with our Code of Conduct and expectations and provide training as appropriate.

MARKETING AND ADVERTISING

We use marketing and advertising activities to educate the public, increase awareness of our services, and recruit new team members. These materials and announcements, whether verbal, printed, or electronic, will present only truthful, informative, non-deceptive information.

UMRC & PH will not willfully or knowingly distribute or market information known to be a false representation of our organization.

All marketing and advertising involving the use of resident names or contact information shall comply with HIPAA and related state laws, as applicable.

REGULATORY EXCELLENCE

Because we are in healthcare and housing we must follow the many federal, state, and local laws that govern our business. Keeping up with the most current rules and regulations is a big job – and an important one. We are all responsible for learning and staying current with the federal, state, and local laws, rules, and regulations, as well as the policies and procedures that apply to our job responsibilities.

Overall, achieving business results by illegal acts or unethical conduct is not acceptable.

BILLING AND BUSINESS PRACTICES

UMRC/PH is committed to operating with honesty and integrity. Therefore, all team members must ensure that all statements, submissions, and other communications with residents, prospective residents, the government, suppliers, and other third parties are truthful, accurate, and complete.

UMRC & PH regularly audits and monitors its billing and coding as appropriate taking into account changes in laws, regulations and rules, discovery of potential non compliant conduct, and its internal risk assessment, for the purpose of ensuring its billing and coding are in compliance with relevant policies, federal and state laws and regulations. UMRC & PH will not knowingly file a claim containing information known to be false.

UMRC & PH will take steps to ensure that payments and other transactions are properly authorized by management and properly documented in the books and records.

We are committed to ethical, honest billing practices and expect you to be vigilant in maintaining these standards at all times. False coding or billing is illegal and unacceptable.

Any team member who knowingly submits a false claim, or provides information that may contribute to submitting a false claim such as falsified clinical documentation, to any payer – public or private – is subject to the disciplinary action up to and including termination. In addition, legal action may be taken, including criminal action.

Prohibited practices include, but are not limited to:

- Billing for services or items that were not provided or costs that were not incurred;
- Duplicate billing - billing items or services more than once;
- Billing for items or services that were not medically necessary;
- Assigning an inaccurate code or resident status to increase reimbursement or any other reason, including but not limited to upcoding or “clustering”;
- Providing false or misleading information about a resident’s condition or eligibility;
- Failing to identify and refund credit balances;
- Submitting bills without required supporting documentation;
- Soliciting, offering, receiving, or paying a kickback, bribe, rebate, or any other remuneration in exchange for referrals; and/or
- Untimely entries into medical records.

UMRC & PH conducts internal auditing and monitoring as well as participates in an external auditing process to ensure the integrity of our billing and financial processes.

If you observe or suspect that false claims are being submitted or have knowledge of a prohibited practice, you must immediately report the situation to a supervisor and the Compliance Officer, or call the Compliance Hotline.

Failure to report a known prohibited practice may subject you to disciplinary action up to and including termination.

REFERRALS AND KICKBACKS

UMRC & PH and its team members shall comply with the Federal False Claims Act (“FCA”), Federal and state Anti-Kickback statutes (“AKS”), Federal Physician Self-Referral law (“Stark”) and all other state and federal healthcare laws as may be applicable to UMRC & PH. Team members and related entities often have close associations with local healthcare providers and other referral sources. To demonstrate ethical business practices, we must make sure that all relationships with these professionals are open, honest, and legal.

Team members are expected to adhere to proper business practices and federal and state anti-fraud, kick-back, and referral prohibitions in dealing with vendors or referral sources.

Resident referrals are accepted based solely on the clinical needs and our ability to provide the services. UMRC & PH never solicits, accepts offers, or gives anything of value in exchange for resident referrals or in exchange for purchasing or ordering any good or service for which payment is made by a federal health care program. Anything of value includes any item or service of value including cash, goods, supplies, gifts, “freebies,” improper discounts or bribes.

Accepting kickbacks is against our policies and procedures and also against the law. A kickback is anything of value that is received in exchange for a business decision such as a resident referral.

To assure adherence to legal and ethical standards in our business relationships directly or indirectly with referral sources, UMRC & PH must:

- Verify all business arrangements with physicians or other healthcare providers or vendors in a written document that is fair market value and compliant with applicable state and federal laws; and
- Comply with all state and federal regulations when arranging referrals to physician-owned businesses or other healthcare providers.

You cannot request, accept, offer, or give any item or service that is intended to influence – or even appears to influence – the referral, solicitation, or provision of healthcare service paid for by any private or commercial healthcare payer or federal or state healthcare program, including Medicare and Medicaid, or other providers.

For additional guidance refer to our Conflict of Interest policy.

INDUCEMENTS TO PROSPECTIVE RESIDENTS

Team members may not provide anything of value including goods, services, or money to prospective residents or any beneficiary of a federal or state healthcare program that you know or should know will likely influence that person's selection of a provider of healthcare services.

For the purposes of this policy, anything of value includes but is not limited to any waiver of payment, gift, or free service that exceeds a value of \$10 per item or \$50 annually in total.

If you have a question about whether a particular gift or service would be considered "of value," ask your supervisor or the Compliance Officer.

COPYRIGHT LAWS

Most print and electronic materials are protected by copyright laws. Team members are expected to respect these laws and not reproduce electronic print or printed material without obtaining permission as required by the writer or publisher. When in doubt, ask your supervisor.

FINANCIAL PRACTICES AND CONTROLS

Ensuring that financial and operating information is current and accurate is an important means of protecting assets.

Team members should ensure that all information provided to bookkeepers, accountants, reimbursement staff, internal and external auditors, and compliance staff are accurate and complete. This includes ensuring the accuracy of clinical documentation which supports our reimbursement.

We must also comply with federal and state regulations when maintaining clinical records, accounting records and financial statements, and cooperate fully with internal and external audits.

FAIR DEALING

Team members must deal fairly with residents, suppliers, competitors, and each other. No team member, manager, or director shall take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing practice.

DOCUMENT CREATION, USE AND MAINTENANCE

Team members are responsible for the integrity and accuracy of documents, records, and e-mails including, but not limited to, resident medical records, billing records, and financial records. No information in any record or document may ever be falsified or altered.

Team members must not disclose, internally or externally, either directly or indirectly, confidential information except on a need to know basis and in the performance of your duties.

Disclosure of confidential information externally must follow organization policies.

Upon termination of employment, you must promptly return all confidential information, medical and/or business, to the organization. Examples of confidential business information include but are not limited to: potential or threatened litigation, litigation strategy, purchases or sales of substantial assets, business plans, marketing strategies, resident information, patient information, employment information, organizational plans, financial management, training materials, fee schedules, department performance metrics, and administrative policies.

VOLUNTARY DISCLOSURE

If a team member suspects an overpayment or improper conduct has occurred, he/she will promptly report it to the department supervisor, the Compliance Officer, or to the compliance hotline. It is our policy to voluntarily report known overpayments and any improper/irregular conduct, including fraudulent conduct, as required by any federal or state healthcare program.

Reporting will be completed within the time frames required by applicable state and federal laws and billing rules.

GOVERNMENT INVESTIGATIONS

UMRC & PH and all team members shall cooperate fully and promptly with appropriate government investigations into any possible civil and criminal violations of the law. It is important, however, that in this process we are able to protect the legal rights of UMRC & PH and all team members. To accomplish these objectives, any governmental inquiries or requests for information, documents, or interviews should be immediately referred to the Compliance Officer.

UMRC & PH are committed to cooperating with requests from any governmental inquiry, audit, or investigation. You are encouraged to cooperate with such requests, conscious of the fact that you have the following rights:

- You have the right to speak or decline to speak;
- You have the right to speak to an attorney before deciding to be interviewed and/or deciding to speak; and
- You may have a right to have your attorney be present if you agree to be interviewed.

In complying with our policy, you must not:

- Lie or make false or misleading statements to any government investigator or inspector;
- Destroy or alter any records or documents;
- Attempt to persuade another or any person to give false or misleading information to a government investigator or inspector; or
- Be uncooperative with a government investigation.

If you receive a subpoena or other written or oral request for information from the government or a court, contact your supervisor and the Compliance Officer before responding.

DISCIPLINARY ACTION

Disciplinary action will be taken against anyone who fails to act in accordance with this Code of Conduct, the Compliance and Ethics Program, supporting policies and procedures, HIPAA Privacy and Security policies and procedures, UMRC & PH team member policies, handbooks, and manuals, and applicable federal and state laws. Disciplinary action may be warranted in relation to violators of the Compliance and Ethics Program and to those who fail to detect violations or who fail to respond appropriately to a violation, whatever their role in the organization.

UMRC & PH will utilize and follow their established disciplinary policies and practices in the event action is warranted.

Based on investigation outcome, and through discussion with the CEO, in conjunction with Human Resources, the Compliance Officer may initiate and recommend corrective or disciplinary action against a team member and may also monitor appropriate implementation of the disciplinary process. Through the disciplinary

process, UMRC & PH will immediately address anyone who engages in prohibited retaliatory conduct. The disciplinary process need not be followed in every case, and team members may be terminated at any stage in the process for policy violations. Discipline will be dispensed consistently based upon the nature, severity and frequency of the compliance violation, and not upon the seniority or rank of the violator.

COMPLIANCE QUESTIONS

The laws applicable to our operations are numerous and complicated and constantly changing. Our Compliance and Ethics Program may also change from time to time to address changes as appropriate and incorporate any “lessons learned.” When you are not sure whether a particular activity or practice violates the law or the Compliance and Ethics Program, you should not guess the correct answer. Instead, you should immediately seek guidance from your department supervisor or the Compliance Officer.

You will not be penalized for asking compliance-related questions, or any questions for that matter. In fact, we are intent on creating a culture in which you should feel comfortable reporting concerns and/or asking questions to ensure you understand the duties that are imposed upon you under this Code of Conduct, the Compliance and Ethics Program, and other applicable federal and state laws.

CONCLUSION

The Compliance and Ethics Program is critical to UMRC & Porter Hills’ continued success. You are crucial in ensuring the integrity of UMRC & PH. The Code of Conduct and the Compliance and Ethics Program set standards for the legal, professional, and ethical conduct of our business. Some key points to remember are:

- UMRC & PH and all our team members are committed to personal and organizational integrity, to acting in good faith, and to being accountable for our actions.
- The Code of Conduct and the Compliance and Ethics Program prepare us to deal with the growing complexity of ethical, professional, and legal requirements of delivering healthcare in the senior living environment.
- The Compliance and Ethics Program is an ongoing initiative designed to foster a supportive work environment, provide standards for clinical and business conduct, and offer education and training opportunities for team members.

The success of the UMRC & Porter Hills Compliance and Ethics Program depends on our commitment to act with integrity, both personally and as an organization.

As a team member, your duty is to ensure that the organization is doing everything practicable to comply with applicable laws. You are expected to satisfy this duty by performing your responsibilities in accordance with professional standards, the regulations guiding our business practices, and our policies and procedures.

CONTACTS

CONTACTS

Corporate Compliance Officer

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Vice President of Quality & Compliance
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734-475-9744

Compliance Official

Paige Hendrickson, RN
phendrickson@porterhills.org
616-309-1033

Toll-Free Ethics Point Compliance Line

1-888-315-3965

Online Ethics Point Reporting

www.umrcph.ethicspoint.com