



# **Network Medical Management Standards of Conduct 2021**

## **I. Mission**

Network Medical Management (NMM) is committed to conducting its business operations with the highest ethical standards and in full compliance with all applicable Federal, State, and local laws, rules and regulations. NMM expects its employees and first-tier, downstream, and related entities (FDRs) to perform their job duties and represent the organization in a manner that reflects and upholds this commitment. The NMM Standards of Conduct is designed to clearly communicate the organization's expectations and provide guidance to its employees and FDRs in carrying out their daily activities within appropriate ethical and legal standards.

## **II. Purpose and Scope**

All NMM employees and FDRs must comply fully with the standards set forth in the NMM Standards of Conduct as well as any additional parameters documented in department-specific policies and procedures. Employees and FDRs who violate the Standards of Conduct will be subject to disciplinary actions.

The standards and requirements in the Standards of Conduct apply to all NMM employees, including directors, officers, managers, and staff at all levels, and FDRs, including but not limited to providers, brokers, agents and enrollers.

These Standards of Conduct are not intended to and shall not be deemed or construed to provide any rights, contractual or otherwise, to any employees of NMM or to any third parties.

NMM expects all employees, downstream and related entities conduct themselves in an ethical manner; that issues of non-compliance and potential fraud, waste and abuse are reported through the appropriate mechanisms outlined; and that reported issues will be addressed and corrected effectively.

## **III. Standards of Conduct**

### **General Principles**

All NMM employees and FDRs shall conduct their daily activities in accordance with the following general principles of conduct:

- Job duties must be performed in full compliance with both NMM and Federal and State law. No employee shall take any action that he or she believes is in violation of any statute, rule or regulation. All employees are expected to have a practical working knowledge of Federal and State laws and regulations affecting their job responsibilities, and to inquire of their immediate supervisor when related questions arise.
- Conduct activities with integrity and honesty. NMM employees shall strive for excellence in performing their duties.
- Avoid any conduct that could reasonably be expected to reflect adversely upon the integrity of the company, its officers, directors or other employees.

- Be a positive influence and good corporate citizens in the communities where the company provides services. Treat members, providers, vendors, and fellow employees fairly and with respect.
- Report to their supervisors or to the NMM Compliance Officer any illegal or unethical practices of NMM employees, FDRs or agents.
- Abide by the NMM Compliance Program, Anti-Fraud Plan, Conflict of Interest Policy, and all other applicable Policies and Procedures.

### **Avoiding Conflicts of Interest**

NMM employees and FDRs shall:

- Understand and abide by NMM's *Conflict of Interest* policy.
- Avoid situations that could create, or appear to create, a conflict of interest unless such a situation has been reported to management, approved and properly disclosed as required by the Conflict of Interest policy.
- Avoid any financial, business, or other activity that competes with NMM's business interests, interferes or appears to interfere with the performance of their duties, or involves the use of NMM property, facilities, or resources, except to the extent consistent with the *Conflict of Interest* policy.
- Not have a financial or other personal interest, other than compensation provided by NMM, in a transaction between NMM or any of its business units and vendors, suppliers, providers, or customers.

### **Business and Financial Practices**

- NMM employees and FDRs shall:
- Conduct all NMM business transactions in accordance with management's general or specific directives, as specified by applicable NMM policies and procedures, and in full compliance with governing Federal and State laws, rules and regulations.
- Avoid offering or accepting any form of bribe, payment, gift, or item of more than a nominal value to or from any person or entity with which NMM has or is seeking a business or regulatory relationship.
- Avoid unfair competition or deceptive trade practices, including misrepresentation of NMM's products or operations. NMM employees and FDRs shall not make false or disparaging statements about competitors or their products.
- Comply with applicable antitrust laws. There shall be no discussions or agreements with competitors regarding price or other terms for products, prices paid to suppliers or providers, dividing up customers or geographic markets, or joint action to boycott or coerce certain customers, suppliers, or providers

### **Preventing, Detecting and Correcting Fraud, Waste and Abuse**

NMM is strongly committed to the detection and prevention of FWA. NMM maintains ultimate responsibility for adhering to and fully complying with all applicable State and Federal statutory and regulatory requirements. NMM will work in an ongoing manner with the appropriate entities to detect and prevent FWA as required by the CMS Compliance Program Guidelines.

NMM employees and FDRs shall:

- Comply with applicable laws, regulations, guidelines and NMM policy, including NMM's Anti-Fraud Plan.
- Immediately report suspected FWA conduct to the NMM Compliance Department.
- Cooperate fully with, and disclose all pertinent information with regard to any NMM investigation of suspected FWA conduct.

#### **Federal Health Care Fraud & Abuse Laws**

- **The False Claims Act** – Statute: 31 U.S.C. §§3729-3733
- **The Anti-Kickback Statute** – Statute: 42 U.S.C.§1320a-7b(b) & Safe Harbor Regulations: 42 C.F.R. §1001.952
- **The Physician Self-Referral Law** – Statute: 42 U.S.C. §1395nn & Regulations: 42 C.F. R. §§411.350-.389
- **The Exclusion Authorities** – Statutes: 42 U.S.C.§§ 1320a-7, 1320c-5 & Regulations: C.F.R. pts. 1001 (OIG) & 1002 (State agencies)
- **The Civil Monetary Penalties Law** – Statute: 42 U.S.C.§1320a-7a & Regulations: C.F.R. pt. 1003
- **Criminal Health Care Fraud Statute** – Statute: 18 U.S.C. §§1347, 1349

#### **Marketing and Sales / Enrollment Activities**

NMM is not delegated by Health Plans and does not pursue Marketing, Sales and enrollment activities with members. However if required, NMM will take all appropriate steps to ensure that its marketing personnel present clear, complete and accurate information to potential enrollees. This includes ensuring that the marketing information has been approved by, and complies with all requirements of, the Department of Managed Health Care, in the case of commercial business, or the Centers for Medicare and Medicaid Services, in the case of Medicare business.

NMM employees and FDRs shall:

- Comply with applicable Federal and State laws, regulations, guidelines and NMM policy, including the Medicare Marketing Guidelines, with respect to all marketing, sales and enrollment activities.
- Always place the best interests of potential enrollees and NMM above personal financial interests.
- Present clear, complete, accurate information, and ensure that potential enrollees have the opportunity to make a well informed enrollment decision. This includes utilizing only marketing materials and information that have been approved by, and comply with all requirements of, NMM and CMS.
- Avoid providing any information or engaging in conduct that might in any way misrepresent NMM or its programs, or mislead, confuse, coerce or pressure potential enrollees. An example of misrepresentation by an agent would be to tell potential enrollees that the agent works for or is contracted with Social Security Administration or CMS.
- Never offer cash payments, gifts, bribes or kickbacks to any person or entity to induce enrollment in NMM plans or programs.
- Never engage in door-to-door solicitation of Medicare contracted products or programs.

## **Quality and Accessibility of Health Care**

NMM employees and FDRs shall:

- Comply with applicable Federal and State laws, regulations, guidelines and NMM policy with respect to provision of quality health care to NMM members.
- Make every effort to ensure that all covered services are available, accessible, and appropriately delivered to NMM members, and that NMM:
  - Contracts with providers in sufficient number and geographic location to service all NMM members;
  - Maintains reasonable, understandable utilization review procedures that facilitate rather than discourage access to covered services; and
  - Provides access to emergently needed services (according to the reasonable person standard) without prior authorization, and timely coordination of appropriate maintenance and post-stabilization stabilization care.
- Make all decisions regarding provision of care or payment for services in a timely manner and in accordance with professionally recognized standards, without regard for fiscal concerns. Inappropriate delay or withholding of services is a violation of NMM policy and will not be tolerated.
- Never create or contribute to situations, either through action or failure to act, that could promote underutilization or poor quality of care, and immediately report any such situation or circumstance to the appropriate manager.
- Ensure that contracts with providers meet all NMM and regulatory requirements, and that incentives to promote efficient utilization of services do not include payments to reduce or limit medically necessary services to any particular enrollee.
- Ensure at all times that providers are properly licensed and credentialed prior to providing services to NMM members.
- Avoid interference with health care providers' advice to their patients, including advice regarding health status, care and treatment options, risks, benefits and consequences of treatment vs. non-treatment, or the opportunity for the patient to refuse treatment and express a preference for future treatment options.
- Ensure that NMM members who are high utilizers of care continue to receive appropriate access to services are not in any way encouraged to disenrollment from NMM.

## **Utilization Management and Fraud**

In addition to the above, identification of common Health Care and utilization Fraud issues and examples are:

- Billing for services not rendered.
- Billing for a non-covered service as a covered service.
- Misrepresenting dates of service.
- Misrepresenting locations of service.
- Misrepresenting provider of service.
- Waiving of deductibles and/or co-payments.
- Incorrect reporting of diagnoses or procedures (includes unbundling).

- Overutilization of services.
- In Network Provider profiling specifically for Utilization Management Processes
- Corruption (kickbacks and bribery).
- False or unnecessary issuance of prescription drugs.

## **Confidentiality, Privacy, and Maintenance of Records**

NMM employees and FDRs shall:

- Ensure timely and appropriate creation, distribution, retention, storage, retrieval and destruction of records and documents, in any form (paper or electronic), in accordance with generally accepted accounting standards and other applicable Federal and State laws, regulations and policies, including but not limited to the Health Insurance Portability & Accountability Act (HIPAA) and the Confidentiality of Medical Information Act (CMIA).
- Maintain the confidentiality and security of financial, medical, personnel, and other sensitive or proprietary information belonging to NMM, and/or information belonging or related to NMM's suppliers, FDRs, regulators, or customers.
- Maintain the privacy and security of protected health information covered by HIPAA or other applicable patient/consumer privacy laws and regulations.

## **Workplace Conduct and Safety**

NMM employees and FDRs shall, at all times while on the job or otherwise representing NMM:

- Conduct themselves professionally and treat all fellow employees, members, FDRs, or other individuals they encounter in the course of their duties, with appropriate courtesy, dignity, and respect.
- Avoid any type of behavior or conduct that could be construed as discrimination or harassment due to age, ethnicity, gender, religion, national origin, disability, sexual orientation, or covered veteran status. Any form of harassment, sexual or otherwise, including the creation of a hostile working environment, is completely prohibited.
- Follow safe work practices and comply with all applicable safety standards and health regulations.

## **Department-Specific Compliance Standards and Operational Policies and Procedures**

In addition to the standards and requirements described in these Standards of Conduct, compliance standards and operational policies and procedures specific to each NMM department will continue to be incorporated into department-specific manuals (and/or other appropriate media), and kept current with applicable Federal and State laws and regulations.

The department-specific policies and procedures are a resource for the employees of each department, designed to enhance their ability to perform their duties in accordance with NMM's policies and applicable Federal and State laws and other requirements. Each

department has defined and assigned responsibility for (i) the timely updating of the policies and procedures, (ii) the necessary training and education of affected personnel, and (iii) the completion of monitoring and audit work plans as designated by the Compliance Officer to ensure ongoing compliance

#### **IV. Reporting and Investigation**

NMM considers adherence to these Standards of Conduct to be of paramount importance, because establishing and maintaining a reputation for honest, ethical business practices is a key NMM corporate value. Furthermore, engaging in illegal activity or improper conduct may subject NMM to severe civil and criminal penalties, including large fines and exclusion from certain types of business. It is therefore crucial that any suspected illegal activity or improper conduct, including violation of these Standards or any other NMM policy, be promptly reported and thoroughly investigated

##### **Duty to Report**

- NMM employees and FDRs who become aware of any suspected illegal activity or improper conduct are required to immediately report the illegal activity or improper conduct through appropriate channels.
- NMM employees should report suspected illegal activity or improper conduct to their supervisor, or directly to the NMM Compliance Department.
- NMM FDRs should report suspected illegal activity or improper conduct directly to the NMM Compliance Department.
- Suspected illegal activity or improper conduct may be reported to the NMM Compliance Department by
  - Sending an email to fwacompliance@nmm.cc
  - Calling the Compliance Hotline at 626-943-6286.
  - Making direct report to Compliance Officer in person, email, in writing, or by phone
    - Compliance Officer: Jo Espino, R.N.
    - Phone: 626-943-6266
    - Fax: 626-943-6357
    - Mail: NMM Compliance Officer,  
1680 South Garfield Ave #201 Alhambra, CA 91801
- Failure to report suspected illegal activity or improper conduct is a violation of these Standards, and may be a violation of Federal and/or State law.
- NMM employees should understand and abide by NMM's *FWA reporting* and *Internal Investigations of Alleged Violations* policies.

## **Anonymous Reporting**

- NMM employees and FDRs may report suspected illegal activity or improper conduct anonymously.
- NMM prohibits retaliation against any employee for disclosing information, or because the organization believes that the employee disclosed or may disclose information, to a government or law enforcement agency, or to a superior in NMM, so long as the employee has **reasonable cause** to believe that the information discloses a violation of law or regulation<sup>1</sup>.
- Whistleblowers are protected from retaliation for disclosing information that the employee or applicant reasonably believes provides evidence of a violation of any law, rule, regulation, gross mismanagement, gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety.<sup>2</sup>
- To the extent permitted by Federal and State law, NMM will take reasonable precautions to maintain the confidentiality of those individuals who report illegal activity or improper conduct, and of those individuals involved in the alleged violation, whether or not it turns out that improper acts occurred.
- Failure to abide by this confidentiality obligation is a violation of these Standards.

## **Investigations and Duty to Cooperate**

It is NMM's policy to promptly and thoroughly investigate all reports of illegal activity or improper conduct. Detection of potential or actual issues related to compliance, ethical conduct, or other measurable areas of performance shall result in the initiation of appropriate corrective action. Any action, or lack of action, that prevents, hinders, or delays discovery and full investigation of suspected illegal activity or improper conduct is a violation of these Standards, and may be a violation of Federal and/or State law.

- Internal investigations will include interviews and review of relevant documents. NMM employees and FDRs are required to cooperate fully with, and disclose all pertinent information with regard to any NMM investigation of suspected illegal activity or improper conduct.
- NMM, its employees and FDRs shall cooperate with appropriate government investigations into possible civil and criminal violations of Federal and/or State law. It is important, however, that in this process NMM is able to protect the legal rights of the Company and its personnel. To accomplish these objectives, any governmental inquiries or requests for information, documents, or interviews must be promptly referred to the NMM Compliance Officer.

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<sup>1</sup> California Labor Code §1102.5 and Labor Code §6310.

<sup>2</sup> The **Whistleblower Protection Act of 1989**, 5 U.S.C. 2302(b)(8)-(9), Pub.L. 101-12 as amended

## **Protection from Retaliation**

NMM ensures that employees and FDRs may report or assist investigation of suspected illegal acts or improper conduct without threat of negative consequences.

- No retaliation, reprisals or disciplinary action will be taken or permitted against NMM employees or FDRs for good faith participation in the Compliance Program, including but not limited to reporting potential issues to appropriate authorities, cooperating in the investigation of suspected illegal activities or improper conduct, and conducting self-evaluations, audits and remedial actions.
- Failure to abide by this prohibition against retaliation or reprisals is a violation of these Standards, and may be a violation of Federal and/or State law.
- Non-intimidation and non-retaliation for good faith participation in the compliance program, including, but not limited to, reporting potential issues, investigation issues, conducting self-evaluations, audits and remedial actions, and reporting to the appropriate officials.

## **V. Disciplinary Action**

NMM employees and FDRs who engage in illegal activity or improper conduct, including violation of these Standards or any other NMM policy, are subject to disciplinary action including oral or written warnings or reprimands, suspensions, termination, financial penalties and potential reporting of the conduct to law enforcement. If employees or FDRs self-report their own illegal actions or improper conduct, NMM will take such self-reporting into account in determining appropriate disciplinary action

## **VI. Medical Record Retention**

NMM and all our downstream providers and related entities will maintain records for a period of 10 years for all compliance violation disciplinary actions.

## **VII. Training for Code of Conduct and Fraud Waste and Abuse**

Training includes:

- An overview of health care fraud, a summary of the applicable fraud and abuse laws (e.g., False Claims Act, Anti-Kickback statute,
- Training on how to identify potentially fraudulent claims (including indicators of fraud),
- Examples of fraudulent activity that have been uncovered for other operational areas including and not limited to Quality and Accessibility, provider Network management, Utilization Management, Credentialing,

- The procedure for referring suspected fraudulent activity to the Compliance Officer,
- All protections (whistle blower protections) for those who report suspected fraud, waste, and abuse,
- Non retaliation and Whistle blower protections and anonymous reporting processes.
- In the case of contractors, their obligation to have appropriate policies and procedures to address fraud, waste, and abuse.

### **VIII. Distribution of Compliance Program, Code of Conduct/Ethics and Fraud Waste and Abuse Information to Employees**

- In order to be effective, compliance policies and procedures and Standards of Conduct are distributed to employees who support all of NMM’s IPA Clients for all lines of businesses.
- Distribution occurs at least within 30 days of hire, when there are updates to the policies, and annually thereafter.

SAMPLE NEW EMPLOYEE HIRE TRAINING NOTICE:

#### **Network Medical Management’s (NMM) Overview of Company Functions:**

This training is to provide you with an overview of NMM, the functions of each of our departments, and our Healthcare system.

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In addition, you will have 30 days to complete the following trainings on Compliance Wire, as mentioned during orientation.

1. Harassment Avoidance Training for California
  2. Recognizing and Avoiding Insider Trading
  3. HIPAA: General Awareness
  4. NMM Cultural Competency Training
  5. NMM Compliance Training
  6. NMM FWA Training
  7. NMM Standard of Conduct
- NMM provides electronic copies, emailing a links or posting on the company intranet.
  - NMM retains evidence to demonstrate that the Compliance Standards of Conduct and policies and procedures were distributed to employees.