



CODE OF BUSINESS ETHICS AND CONDUCT

**LIBERTY Dental Plan  
Executive Approval for**

**Code of Business and Ethics and Conduct**

---

**Board of Directors Approval**

LIBERTY Dental Plan's Board of Directors has reviewed and approved this document.



---

Executive Vice President

5/15/17

---

Date

A message from Dr. Amir Neshat...

EARNING TRUST....

Dear LIBERTY Employee,

LIBERTY Dental Plan is committed to the highest standards of professional and ethical conduct. The reputation and successful operation of LIBERTY Dental Plan are built upon the principles of fairness, honesty, respect, civility, and accountability. These principles assist LIBERTY in providing members, providers, consultants, stakeholders, local and state governments, suppliers, and the general public with the utmost level of confidence in our organization.

LIBERTY Dental Plan will comply with all applicable laws and regulations. *LIBERTY* also expects its management and staff members to conduct business in accordance with all relevant laws and to refrain from even the appearance of misconduct or impropriety. To that end, all staff members of LIBERTY must execute their duties and responsibilities with the highest level of integrity, objectivity, and sound judgment, avoiding such acts as, but not limited to, illegal or discriminatory activities, confidentiality breaches, fraud, theft, waste and abuse and misappropriation.

This Code is your guide. It defines our expectations of ethical behavior. If you have questions, it helps you find additional guidance.

Let's be reminded that operational excellence must be accompanied by personal integrity as well as professional integrity to achieve true success.

Amir Neshat DDS  
President and CEO

COMPLIANCE AND ETHICS PROGRAM OVERSIGHT..... 5

INTRODUCTION ..... 6

COMPLIANCE PROGRAM..... 6

1.0 CONDUCT IN THE WORKPLACE ..... 7

    1.1 GUIDING PRINCIPLES ON WORKPLACE CONDUCT ..... 7

    1.2 DISCRIMINATION ..... 8

    1.3 Workplace Harassment and Violence ..... 8

    1.4 Fitness for Duty ..... 8

    1.5 Fair Dealing..... 9

2.0 POLICY ON ETHICS ..... 9

    2.1 ETHICS..... 9

    2.2 GRATUITIES AND “KICKBACKS” ..... 9

    2.3 CONFLICTS OF INTEREST..... 10

    2.4 NEPOTISM..... 10

    2.5 CONFIDENTIALITY –PROTECTING INFORMATION/PRIVACY..... 10

    2.6 COMPETENCE ..... 11

    2.7 FINANCIAL REPORTING..... 11

    2.8 REPORTING CODE VIOLATIONS ..... 11

    2.9 CONSEQUENCES OF FAILURE TO COMPLY WITH THIS POLICY..... 12

3.0 POLICY ON CONFLICTS OF INTEREST ..... 12

    3.1 Duty to LIBERTY Dental Plan..... 12

    3.2 CONFLICTS OF INTEREST WITH RESPECT TO PARTICULAR TRANSACTIONS..... 13

    3.3 CONFIDENTIALITY WITH RESPECT TO CONFLICTS OF INTEREST ..... 14

    3.4 VALIDITY OF COMPANY CONTRACTS AND OBLIGATIONS ..... 14

    3.5 CONSEQUENCES OF FAILURE TO COMPLY WITH THIS POLICY..... 14

4.0 POLICY ON FRAUD ..... 14

    4.1 PURPOSE OF FRAUD POLICY..... 14

    4.2 DEFINITION OF FRAUD ..... 15

    4.3 POLICY STATEMENT..... 15

    4.4 PROCEDURES..... 15

    4.5 CONSEQUENCES OF FAILURE TO COMPLY WITH THIS POLICY..... 17

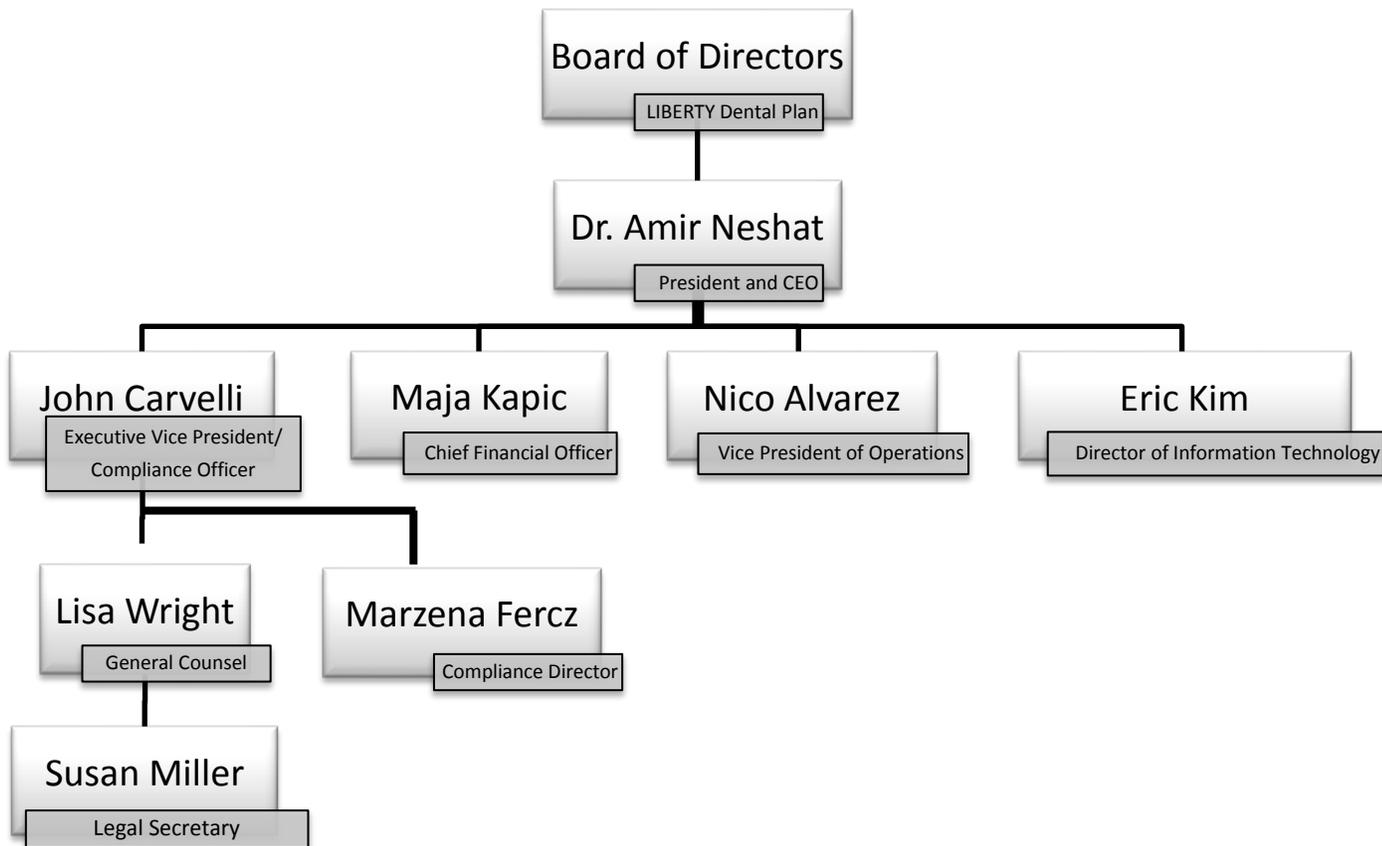
RESOURCES FOR QUESTIONS AND REPORTING VIOLATIONS ..... 17

CONTACT NUMBERS..... 17

    Anonymous Hotline (888) 704-9833 ..... **Error! Bookmark not defined.**

Compliance Officer (949) 310-1957 or (949) 903-1393 .....**Error! Bookmark not defined.**

# COMPLIANCE AND ETHICS PROGRAM OVERSIGHT



## **INTRODUCTION**

### **TO WHOM THIS CODE APPLIES**

We all should become familiar with the standards and guidelines in this Code and apply them in both letter and spirit. This Code applies to all LIBERTY Dental Plan employees and officers at every level and in every assignment with LIBERTY Dental Plan. No employee is above the requirements of this Code.

This Code also applies to those who provide goods and services to LIBERTY Dental Plan and with whom we have an on-going business relationship, such as vendors, consultants, supplemental personnel, subcontractors, and brokers. As such, they are expected to adhere to any applicable provisions of the Code.

## **COMPLIANCE PROGRAM**

### **COMPLIANCE PROGRAM TENETS**

1. Implementing written policies, procedures and standards of conduct.
2. Designating a compliance officer and compliance committee.
3. Conducting effective training and education.
4. Developing effective lines of communication.
5. Conducting internal monitoring and auditing.
6. Enforcing standards through well-publicized disciplinary guidelines.
7. Responding promptly to detected offenses and undertaking corrective action.

### **COMPLIANCE OFFICER**

The Compliance Officer is accountable to the Chief Executive Officer. The Compliance Officer shall be responsible for developing and implementing policies, procedures, and practices designed to ensure compliance with Federal health care program requirements. The Compliance Officer shall make periodic (at least quarterly) reports regarding compliance matters directly to the Board of Directors of LIBERTY Dental Plan, and shall be authorized to report on such matters to the Board of Directors at any time. The Compliance Officer shall be responsible for monitoring the day-to-day compliance activities engaged in by LIBERTY Dental Plan.

### **COMPLIANCE COMMITTEE**

The Compliance Committee is accountable to the Chief Executive Officer. The Compliance Committee shall, at a minimum, include the Compliance Officer and other members of senior management. The Compliance Officer shall chair the Compliance Committee and the Committee shall support the Compliance Officer in fulfilling his responsibilities (e.g., shall assist in the analysis of the organization's risk areas and shall oversee monitoring of internal and external audits and investigations). The Compliance Committee shall meet at least quarterly.

### **CODE OF CONDUCT**

LIBERTY Dental Plan is committed to full compliance with all Federal health care program requirements;

LIBERTY Dental Plan requires that all of its Covered Persons shall be expected to comply with all Federal health care program requirements and with LIBERTY Dental Plan's own Policies and Procedures;

LIBERTY Dental Plan requires that all of LIBERTY Dental Plan's Covered Persons shall be expected to report to the Compliance Officer, or other appropriate individuals designated by LIBERTY Dental Plan, suspected violations of any Federal health care program requirements or of LIBERTY Dental Plan's own Policies and Procedures; and the right of all individuals to use the report potential compliance violations with LIBERTY Dental Plan's commitment to nonretaliation and to maintain, as appropriate, confidentiality and anonymity with respect to such disclosures.

Each Covered Person shall annually certify, in writing or electronically, that he or she has received, read, understood, and shall abide by LIBERTY Dental Plan's Code of Conduct. New Covered Persons shall receive the Code of Conduct and shall complete the required certification within 30 days after becoming a Covered Person.

LIBERTY Dental Plan shall periodically review the Code of Conduct to determine if revisions are appropriate and shall make any necessary revisions based on such review. Any revised Code of Conduct shall be distributed within 30 days after any revisions are finalized. Each Covered Person shall certify, in writing or electronically, that he or she has received, read, understood, and shall abide by the revised Code of Conduct within 30 days after the distribution of the revised Code of Conduct.

## **TRAINING**

New employee and covered persons shall receive training within 30 days of hire. Annual training will include a description of the Compliance Program, the Company's commitment to business ethics, compliance with all statutory, regulatory, and Medicare program requirements, a review of key compliance policies and procedures, and how to report potential non-compliance.

Trainings will consist of:

- Fraud, waste, and abuse
- General Compliance
- CLAS
- Code of Conduct
- Physical Access Security
- IT Security
- HIPAA

## **1.0 CONDUCT IN THE WORKPLACE**

### **1.1 GUIDING PRINCIPLES ON WORKPLACE CONDUCT**

Situations that involve ethics and values are often complex. No Code of Conduct can completely cover every workplace situation. Sometimes, a law or policy clearly dictates the outcome. More often, it is necessary to interpret the situation.

When faced with a decision, ask yourself these questions about the choice you are considering:

- What feels wrong about this situation or action?
- Is this situation against company policy or possibly the law?
- Am I being fair and honest?
- Where can I go for help with this situation?

## **1.2 DISCRIMINATION**

LIBERTY is determined to maintain a work environment free of discrimination. We serve perhaps the most diverse membership community in the nation, and we work with providers and healthcare partners who reflect that diversity.

Our company will be stronger and more successful by honoring the diversity of people and ideas. Employment discrimination against anyone on any unlawful basis such as gender, gender identity, race, religion, color, national origin, ancestry, sexual orientation, age, medical condition, physical or mental disability, pregnancy or marital status, veteran status, or family leave status is prohibited.

LIBERTY will not tolerate discrimination against any employee. Nor will we tolerate retaliatory conduct toward any employee who raises a concern about discrimination.

## **1.3 Workplace Harassment and Violence**

Harassment or violence in the workplace is prohibited. Some forms of harassment, such as sexual harassment, are illegal, as well as against company policy. Whether overt or subtle, harassment is forbidden and will not be tolerated. Reporting harassment and violence in the workplace is critical in helping LIBERTY deal with the situation properly.

Some forms of harassment include:

- Unwelcome sexual advances, requests for sexual favors, suggestive comments, inappropriate physical contact, and any other unwelcome verbal or physical conduct of a sexual nature.
- Derogatory comments, jokes, insults, threats, slurs, and other unwelcome actions based on race, ethnicity, religion, or any other protected category noted under “Discrimination” above.
- Verbal or physical threats or acts of violence.

## **1.4 Fitness for Duty**

LIBERTY is committed to a drug- and alcohol-free work environment. Any employee who uses, manufactures, possesses, distributes or makes arrangements to sell, purchase, or distribute illegal drugs or controlled substances while on company premises, engaged in company business (including all work hours and meal breaks), is in violation of this policy. It also is a violation for any employee to use or possess an open container of alcohol on company premises or to be impaired by alcohol while performing company business or job-related duties.

For safety reasons, it is important that employees take appropriate care in using even prescription drugs or medication while performing their duties. Employees also should not report for work if they are too impaired, fatigued, or ill to perform their duties safely.

### **1.5 Fair Dealing**

We always should treat those with whom we work or do business fairly, honestly, and straightforwardly.

Fairness is at the heart of our value of Respect. Fairness and respect also mean that we do not retaliate against anyone for raising an issue or reporting a potential violation in good faith.

## **2.0 POLICY ON ETHICS**

### **2.1 ETHICS**

It is important that all LIBERTY employees

- Perform their work with honesty, integrity, objectivity and responsibility;
- Act with a high level of professional care, avoiding any real or apparent conflicts of interest;
- Act in good faith without misrepresenting facts or allowing their independent judgment to be compromised;
- Accept responsibility for all actions;
- Observe the law and make disclosures expected by the law;
- Not knowingly be a party to any illegal activity or engage in acts that are discreditable to LIBERTY;
- Comply with all Company policies and procedures;
- Proactively promote ethical behavior amongst peers, in the work environment, and the community;
- Exercise responsible use and control over all LIBERTY assets and resources; and,
- Respect and contribute to the legitimate and ethical objectives of LIBERTY Dental Plan.

### **2.2 GRATUITIES AND “KICKBACKS”**

We must maintain the highest standards of integrity and objectivity in dealing with current or former vendors, consultants, brokers and service providers. LIBERTY staff members shall not use their position to secure special privileges for themselves or their close relatives (see definition below under “Nepotism”). We are prohibited from accepting or giving gifts or gratuities beyond common business courtesies of nominal value. Gifts or items of value must never be offered to or accepted from government employees. Under no circumstances will we accept or give kickbacks when obtaining or awarding contracts, services, referrals, goods, or business. A kickback means to willfully offer, receive, request or pay anything of value, even nominal value, in order to induce or reward referrals of business including goods or services.

## **2.3 CONFLICTS OF INTEREST**

As an employee of LIBERTY, you are expected to act at all times in LIBERTY's best interest and to exercise sound judgment unclouded by personal interests or divided loyalties. Both in performing your duties at LIBERTY and in your outside activities, you should avoid the appearance as well as ensure that no conflicts of interest exist. All employees must comply with LIBERTY's Conflict of Interest Policy. (See below § 3.0.)

## **2.4 NEPOTISM**

Close relatives of members of the same immediate family, as well as domestic partnerships, may be employed (full-time or a part-time), so long as neither family member is immediately responsible for the decision to hire, or the supervision, direction, evaluation, or salary recommendation of the other. Close relatives include husband or wife, parent or child, son-in-law or daughter-in-law, brothers or sisters.

## **2.5 CONFIDENTIALITY –PROTECTING INFORMATION/PRIVACY**

Our company has a variety of information on business activities and strategies. Much of this information is proprietary and confidential and is not generally available to the public. Each employee must protect the integrity of LIBERTY's confidential information at all times. Every employee working with LIBERTY's information holds a position of trust and must take reasonable steps to ensure that private information will not intentionally or inadvertently be divulged.

Confidential information also includes protected health information (PHI) about our members, including names, addresses, and dates of birth, claims histories, medical records, and other types of patient data. This type of information is regulated under the Health Insurance Portability and Accountability Act (HIPAA) and accompanying regulations. It is imperative that such information be maintained in a secure and confidential manner. All employees must sign a Confidentiality Agreement in which each employee recognizes his or her obligations with respect to Confidentiality and PHI.

Our company has a number of policies concerning the maintenance of PHI. All employees and temporary agents are required to complete HIPAA, Fraud, Waste, and Abuse, and Cultural Linguistics training at the time of hire as a compliance requirement. These policies and trainings can be found on the corporate policies and procedures on our internal website or by contacting Human Resources or the Director of Compliance.

Since a person's conduct, either on or off the job, may threaten the security and confidentiality of the information, any employee or person with authorized access to the system is expected:

- Not to make or permit unauthorized use of any information or files;
- Not to seek personal benefit or permit others to benefit personally by any confidential information which has come to them through their work assignment;
- Not to exhibit or divulge the contents of any record or report to any person except in the conduct of their regular work assignment;
- Not to remove any official record of report (or copy) from the office where it is kept except in performance of regular duties or with prior approval;

- Not to aid, abet, or act in conspiracy with any other person to violate any part of this code; and,
- To immediately report any violation of this code to management.

## 2.6 COMPETENCE

Due to the nature of our business, all employees have an obligation to execute their duties and responsibilities with professional care and skill to the best of their knowledge and abilities. To that end, all employees must familiarize themselves with the appropriate Company and/or departmental policies and procedures, applicable laws and regulations, and other rules that govern our business.

## 2.7 FINANCIAL REPORTING

All Company accounts, financial reports, tax returns, expense reimbursements, time sheets, and other documents, including those submitted to outside agencies, must be accurate, clear, timely, and complete. All entries in LIBERTY books and records, including departmental accounts and individual expense reports, must accurately reflect each transaction. It is unlawful for any employee to take an action to fraudulently influence, coerce, manipulate, or mislead an auditor engaged in the performance of an audit for the purpose of rendering the financial statements materially misleading.

## 2.8 REPORTING CODE VIOLATIONS

Employees should report suspected violations of this Code, applicable laws, regulations, and contract requirements. All employees of LIBERTY are strongly encouraged to report any violations of this policy through LIBERTY's toll-free hotline number 888-704-9833, which can also be found on LIBERTY's internal website. Reports can be made confidentially and/or anonymously through the hotline system. All reports will be reviewed by the Compliance Officer and/or Director of Compliance. All investigations shall be led by the Office of Compliance and Legal Affairs, to ensure that the appropriate legal measures are taken during the investigation to protect the rights, privileges, and responsibilities of all parties involved. All investigations, documents, and reports shall be considered confidential and highly security-sensitive to the extent allowed by law.

- The Office of Compliance and Legal Affairs shall make its recommendation to the CEO whether the matter should be handled as a disciplinary matter, as criminal activity, as both or neither. The final course of action will be determined by LIBERTY Dental Plan's Chief Executive Officer.
- The Internal Compliance Auditor shall prepare a single report which includes the allegations, investigator's results, and the course of action taken by LIBERTY. The report shall be distributed to the CEO and Executive management staff, as deemed appropriate by the CEO. A summary report shall be presented to the Audit Committee of LIBERTY Dental Plan's Board of Trustees by the Internal Auditor.
- All files and other material related to an investigation shall be retained for an appropriate period of time by the Office of Compliance and Legal Affairs. *All training records including but not limited to attendance, topics, completion dates and test scores for any tests administered are maintained for a period of 10 years. Code of Conduct records are maintained for a period of 10 years for all disciplinary action resulting from compliance violations.*

## **2.9 CONSEQUENCES OF FAILURE TO COMPLY WITH THIS POLICY**

Each person is responsible for ensuring that their own conduct and the conduct of anyone reporting to them fully complies with this policy. Violations will result in appropriate disciplinary action up to and including discharge from employment. Disciplinary action will be taken in accordance with the applicable procedures in the Employee Handbook. Conduct representing a violation of this policy may, in some circumstances, also subject an individual to civil or criminal charges and penalties.

## **3.0 POLICY ON CONFLICTS OF INTEREST**

### **3.1 Duty to LIBERTY Dental Plan**

It is the policy of LIBERTY Dental Plan that LIBERTY's Trustees, officers, management and other employees carry out their respective duties in a manner that avoids actual, potential, or perceived conflicts of interest. Each of LIBERTY's Trustees, officers, management, and employees shall have the continuing affirmative duty to report any personal ownership, interest, or other relationship that might affect her or his ability to exercise impartial, ethical, and business-based judgments in fulfilling responsibilities to the . Members of the Board of Trustees and officers of LIBERTY have a clear fiduciary obligation to LIBERTY in connection with their service in such capacities. At all times, they shall act in a manner consistent with this fiduciary obligation and shall exercise particular care that no detriment to the interests of LIBERTY (or appearance of such detriment) may result from a conflict between those interests and any personal interests which the individual may have. In addition to any legal or other requirements that apply to LIBERTY and its Trustees, officers, management and employees, the following principles shall guide the conduct of LIBERTY's affairs:

#### **3.1.1 Impartial Dealings**

Trustees, officers, management, and employees of LIBERTY shall conduct their duties with respect to consultants, suppliers, brokers, agencies, and other persons transacting or seeking to transact business with LIBERTY in a completely impartial manner, without favor or preference based upon any consideration other than the best interests of LIBERTY.

#### **3.1.2 Giving and Accepting Business Courtesies**

All of our business transactions should be objective and free of improper, or the appearance of improper, influence. Trustees, officers, management, and employees of LIBERTY shall not seek or accept for themselves or on behalf of anyone else any gift, entertainment, or other favor from consultants, subcontractors, suppliers, agencies, brokers and other persons transacting or seeking to transact business with LIBERTY except:

- common courtesies consistent with ethical and accepted business practices;
- gifts of a nominal value, entertainment that strengthen the business relationship, favors that have no relation to LIBERTY or its affairs.

No business courtesy should be given or received if it obligates the recipient.

### **3.1.3 Personal Benefit**

Excessive personal benefit, self-dealing, and loans from LIBERTY to Trustees, officers, management, and other employees are strictly prohibited.

#### **3.1.4 I Identifying Potential Conflicts of Interest**

A conflict of interest can arise whenever a Trustee, officer, manager, or other employee:

1. has an existing or potential interest which impairs or might impair his or her independent judgment in the discharge of responsibilities to LIBERTY or
2. may receive a material benefit from knowledge of information which is confidential to LIBERTY.

## **3.2 CONFLICTS OF INTEREST WITH RESPECT TO PARTICULAR TRANSACTIONS**

### **3.2.1 Trustees**

If any Trustee believes that he or she may have a conflict of interest with respect to any particular transaction, he or she shall promptly and fully disclose the potential conflict and all relevant information to the Compliance Officer. The Compliance Audit Committee shall review the proposed transaction and all relevant information.

#### **3.2.1.1**

If the Compliance Audit Committee determines that there is in fact a conflict of interest with respect to any Trustee(s), the affected Trustee(s) shall agree to answer any questions the members of the Compliance Audit Committee may have. The Compliance Audit Committee shall compare the proposed transaction against available comparable market values. The Committee shall report the conflict(s) to the full Board and the affected Trustee(s) shall agree to answer any questions about the matter that members of the Board may have.

#### **3.2.1.2**

If the particular transaction requires a vote of the Board or one of its committees, the affected Trustee(s) shall not be counted for purposes of a quorum nor shall the affected Trustee(s) vote on the issue. Although the affected Trustee(s) shall be present to answer questions, the affected Trustee(s) may be sequestered during the discussion of the issue. The minutes shall reflect the sequestration of the affected Trustee(s) and that the affected Trustee(s) did not vote.

#### **3.2.1.3**

If the Compliance Audit Committee determines that there is no conflict of interest with respect to a particular transaction involving any Trustee(s), the secretary of the Board shall keep a record of the decision, which shall be available to the members of the Board of Trustees upon request.

Each member of the Board of Trustees shall file a statement in January of each year with the chairperson of the Audit Committee setting forth any conflicts of interest which might be expected to occur within the following year. The statement shall disclose as fully as possible the nature of potential conflicts and the

nature of the Trustee's interest in the potential transactions. All statements which anticipate conflicts of interest shall be circulated to members of the Board of Trustees. Each Trustee shall agree to answer any questions about potential conflicts that Board members may have.

### **3.2.2 Officers, Managers and Employees**

A LIBERTY officer, manager, or other employee shall not conduct business on behalf of LIBERTY with persons where there exists a potential conflict of interest as identified in §3.1.4 above, except where such interest or employment has been disclosed to, and specifically approved and authorized by, the Compliance Audit Committee.

Each LIBERTY officer, management member, and employee shall file a statement in January of each year with the Internal Auditor setting forth any conflicts of interest which might be expected to occur within the following year. The statement shall disclose as fully as possible the nature of potential conflicts and the nature of the Trustee's interest in the potential transactions. All statements which anticipate conflicts of interest shall be circulated to members of the Audit Committee. Each LIBERTY officer, management member, and employee shall agree to answer any questions about potential conflicts that that individual may have.

### **3.3 CONFIDENTIALITY WITH RESPECT TO CONFLICTS OF INTEREST**

All information concerning actual or potential conflicts of interest shall be held in confidence unless required by law or the best interests of LIBERTY dictate otherwise.

### **3.4 VALIDITY OF COMPANY CONTRACTS AND OBLIGATIONS**

The failure of LIBERTY, its Trustees, or any or all of its directors, officers, management, and other employees to comply with this conflict of interest policy shall not invalidate, cancel, void, or make voidable any contract, relationship, grant, action, transaction, debt commitment or obligation of LIBERTY which otherwise is valid and enforceable under applicable law.

### **3.5 CONSEQUENCES OF FAILURE TO COMPLY WITH THIS POLICY**

Each person is responsible for ensuring that their own conduct and the conduct of anyone reporting to them, fully complies with this policy. Violations will result in appropriate disciplinary action up to and including discharge from employment. Disciplinary action will be taken in accordance with the applicable procedures in the Employee Handbooks. Conduct representing a violation of this policy may, in some circumstances, also subject an individual to civil or criminal charges and penalties.

## **4.0 POLICY ON FRAUD**

### **4.1 PURPOSE OF FRAUD POLICY**

This policy is established to protect the assets and interest of LIBERTY Dental Plan and increase awareness by all employees of their responsibility for reporting suspected fraud. The creation and implementation

of, and adherence to, this fraud policy will help assure that the highest standards of professional ethics are maintained by all.

#### **4.2 DEFINITION OF FRAUD**

Fraud encompasses an array of irregularities and illegal acts characterized by intentional deception. These include, but are not limited to, theft, embezzlement, and bribery, misappropriations, falsifying records, forgery or alteration of documents, kickbacks, destruction or removal of property, conflicts of interest, and inappropriate use of computer systems, including hacking or software piracy. In addition, no person in a supervisory or management position is to use the authority of that position to assign an employee to perform non-employment related tasks, and managers have a responsibility to develop and implement controls to minimize opportunities for fraud to occur.

#### **4.3 POLICY STATEMENT**

Fraudulent activity of any kind, including for the benefit of LIBERTY is expressly forbidden. This policy applies to all LIBERTY employees and will be enforced without regard to past performance, position held or length of service. All persons found to have committed fraud relevant to LIBERTY assets shall be subject to punitive action by LIBERTY and investigation by external law enforcement agencies when warranted.

It shall also be a violation of this policy for any LIBERTY employee to make an accusation of fraudulent conduct with the reckless disregard for truth, for the purpose of being disruptive or causing harm to another individual or to LIBERTY.

#### **4.4 PROCEDURES**

When suspected fraudulent incidents or practices are observed by or made known to an employee, the following procedures must be followed:

1. All employees of LIBERTY are strongly encouraged to report any suspected fraudulent activity. Individuals should report suspected violations of this policy through LIBERTY's toll-free hotline number 888-704-9833. Reports may be made confidentially and/or anonymously through the hotline system. All reports will be reviewed by a Compliance Official and Legal Affairs.
2. The reporting employee shall refrain from further investigation of the incident, confrontation of the alleged violator, or further discussion of the incident with anyone other than an appropriate member of the offices of Internal Audit and Legal Affairs. LIBERTY officials will not allow any retaliation or punishment against individuals who in good faith provide information concerning suspected fraud.
3. All investigations shall be led by the Compliance and Legal Affairs Office as necessary, to ensure that the appropriate legal measures are taken during the investigation to protect the rights, privileges and responsibilities of all parties involved. All investigations, documents, and reports shall be considered confidential and highly security-sensitive to the extent allowed by law.
4. The investigator(s) shall prepare a case report for each investigation. Where there is credible evidence to show that fraud has been committed as defined by this policy, the case report shall include, but not be limited to, the following: subject of the investigation; statement of non-

compliance with policy, plan, procedure, law or regulation; description of acts or practices discovered; statements of witnesses; amount and type of loss; the means used to perpetrate the fraud; appropriate documentation; and other data considered necessary. Where the investigation does not yield creditable evidence to support the claim of fraud, the case report shall include at least the following: subject of the investigation, statement outlining the allegation of fraud, statement that no creditable evidence was obtained to support the allegation, and a list of witnesses contacted.

5. The Offices of Legal Affairs and Internal Audit shall review all final reports prepared by the Investigator(s). The Office of Legal Affairs shall recommend to the CEO whether the matter should be handled as a disciplinary matter, as criminal activity, both or neither. The final course of action will be determined by LIBERTY's CEO.
6. The Internal Auditor shall prepare a report recommending actions to be taken to reduce additional losses and to prevent a recurrence of the fraud. The report shall be distributed to the CEO and Executive Vice President as deemed appropriate by the CEO. A semi-annual summary report shall be presented to the Audit Committee of LIBERTY Dental Plan's Board of Trustees by the Internal Auditor.
7. LIBERTY Dental Plan shall maintain all files and records related to an investigation and or compliance violation disciplinary actions for a period of ten years.

## 4.5 CONSEQUENCES OF FAILURE TO COMPLY WITH THIS POLICY

Each person is responsible for ensuring that their own conduct and the conduct of anyone reporting to them fully comply with this policy. Violations will result in appropriate disciplinary action up to and including discharge from employment. Disciplinary action will be taken in accordance with the applicable procedures in the Code of Conduct handbook. Conduct representing a violation of this policy may, in some circumstances, also subject an individual to civil or criminal charges and penalties.



## RESOURCES FOR QUESTIONS AND REPORTING VIOLATIONS

Our company expects you to be able to recognize actual or potential problems, and to seek advice when you have a question. You must report any actual or suspected violations of the Code of Conduct to a compliance representative, a manager, a senior staff member, legal counsel, human resources or Corporate Compliance Officer or Director. You can also anonymously report concerns to the Corporate Compliance & Ethics Department by calling the Hotline.

LIBERTY will not tolerate any retaliation against you by another employee, supervisor, manager or officer for making a report in good faith. Retaliation damages the employee, morale and the company's reputation and credibility. Retaliation in any form against an employee for reporting an ethical issue in good faith is contrary to the company policies and values.

## CONTACT INFORMATION

### Report Compliance, Privacy, Ethics, or Fraud, Waste and Abuse Concerns

**Call:** 888.704.9833  
**Email:** [compliance@libertydentalplan.com](mailto:compliance@libertydentalplan.com)  
**Fax:** 714.389.3529  
**Mail:** Compliance Officer  
**LIBERTY Dental Plan**  
340 Commerce, Suite 100  
Irvine, CA 92602



Anyone can report concerns, including employees, members, providers, vendors, etc. **LIBERTY** enforces a strict policy of non-retaliation. Retaliation against anyone who reports compliance concerns in good faith is strictly prohibited. If you see retaliation or believe it has occurred, you must report it.