

BRIDGEMOOR

TRANSITIONAL CARE

Code of Conduct Bridgemoor Transitional Care

Introduction

Bridgemoor is committed to following the highest ethical standards for individual and corporate conduct. The *Code of Conduct* details the fundamental principles, values, and standards to guide the organization. It is intended to deter wrongdoing and promote:

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

The *Code of Conduct* is intended to provide a general overview of basic compliance concepts and to give guidance on acceptable behavior for Bridgemoor Workforce Members¹ ("Workforce Members"), including all those who work on behalf of Bridgemoor — our personnel, vendors, physicians, and others affiliated with us or doing business in Bridgemoor facilities or offices.

The *Code of Conduct* serves as the cornerstone of the Bridgemoor Compliance Program. All Workforce Members are expected to read it in its entirety; to be knowledgeable about the *Code of Conduct's* provisions; and to comply with those provisions at all times.

Each supervisor and manager is responsible for ensuring that the personnel within their supervision are acting ethically and in compliance with applicable laws, regulations, and the *Code of Conduct*. Workforce Members are expected to ask questions if the laws and regulations are unclear or if they have questions about the *Code of Conduct*.

Failure to adhere to the *Code of Conduct* is a serious matter that may lead to disciplinary action, including termination. Conduct violating applicable laws and regulations may also subject an individual or the group to criminal prosecution or civil monetary penalties imposed by governmental agencies.

The *Code of Conduct* is a "living document," which will be amended and revised periodically to respond to changing conditions consistent with the six principles discussed below.

General Standards for all Bridgemoor Employees

Compliance is everyone's responsibility:

- **Read, understand and follow the Code of Conduct and the Compliance Program.**
- **Ask for help if there is a question**
- **Avoid illegal and unethical practices**
- **Report any suspected violation of Bridgemoor policies and procedures**
- **Assist authorized teammates with compliance inquiries, audits, and investigations**
- **Notify Bridgemoor immediately if the government sanctions or excludes you from participation in any government-funded program.**

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Bridgemoor will take corrective action, to the extent allowed by law, against any employee who fails to follow the compliance program or commits illegal and unethical behavior.

WORKFORCE MEMBER COMPLIANCE RESPONSIBILITIES

Bridgemoor requires every Workforce Member to comply with all applicable legal and ethical obligations in the performance of his/her job duties. In addition, Bridgemoor expects every Workforce Member to take an active role in detecting and correcting activities that potentially violate applicable laws and regulations and ethical standards. Each Workforce Member must do the following:

LEARN

Workforce Members shall participate fully in all educational programs concerning compliance-related issues. This includes active attendance at in-service and departmental meetings as well as a thorough review of written materials provided to Workforce Members.

ASK

Workforce Members who have a question concerning a compliance-related issue shall seek assistance from an appropriate person.

REPORT

Workforce Members have an affirmative duty to promptly report actual or potential wrongdoing, including actual or potential violation of laws, regulations, ethics and safety requirements, or Bridgemoor's *Code of Conduct*, policies, and procedures.

COOPERATE

Workforce Members shall cooperate fully with any internal investigation concerning alleged noncompliance, any remedial measures taken to correct noncompliance, and any proactive measures taken to prevent noncompliance.

EVALUATE

Workforce Members shall be evaluated for compliance with these obligations. Failure to perform these obligations shall be a basis for discipline up to and including termination by Bridgemoor.

Bridgemoor will not retaliate or tolerate any retaliation against any Workforce Member who reports a suspected ethical or compliance violation in good faith.

PRINCIPLE 1 – PATIENT CARE AND TREATMENT

Bridgemoor is committed to providing competent, compassionate care and treating all patients with respect and dignity. It is the responsibility of every Workforce Member to always act in the best interest of the patient. Clinical care shall be medically necessary and appropriate. Patients shall have access to all of the information necessary to make decisions about their care.

1.1 Non-Discrimination

It is Bridgemoor's policy to treat patients without regard to race, religion, national origin, age, gender, sex, disability, or any other classification protected by law.

1.2 Medical Necessity

Bridgemoor and its Workforce Members will respect and maintain the dignity of each patient and provide appropriate care in compliance with the Medicare Conditions of Participation, pertinent

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accreditation standards, and based upon the patient's needs. Admissions, discharges and transfers shall be based solely on the patient's medical needs.

1.3 Medical Records

Bridgemoor strives to ensure patient medical records are accurate. Medical records shall provide information that documents the treatment provided and supports the claims submitted. Tampering with or falsifying medical records, financial documents, or other business records of Bridgemoor will not be tolerated.

1.4 Communication and Patient Decision-Making

Patients (or their authorized representatives) will be allowed and encouraged to participate in decisions regarding their care. Health professionals will communicate medical information to patients in a manner that allows them to understand the status of their condition and make an informed decision regarding their care and treatment.

1.5 Licensure and Credentials

Workforce Members will maintain professional licenses, certifications, and other credentials in accordance with applicable laws, regulations, and professional standards.

PRINCIPLE 2 – COMPLIANCE WITH LAWS AND REGULATIONS

Bridgemoor shall conduct its operations in compliance with state and federal laws and regulations specific to its various operations, including laws and regulations that govern healthcare entities, as well as for-profit companies. Bridgemoor shall cooperate with any governmental inquiry concerning its compliance with such laws and regulations. Workforce Members must comply with all laws and regulations in the performance of their job duties, regardless of whether they are specifically addressed here.

2.1 The False Claims Act and Whistleblower Protections

Bridgemoor intends to fully comply with the federal False Claims Act ("FCA") and any similar state laws that fight fraud and abuse in government healthcare programs. All billing practices as well as the preparation and filing of cost reports will comply with all federal and state laws and regulations, and any overpayments made by a federal healthcare program or other payers will be refunded in accordance with applicable law and regulations.

The FCA contains a *qui tam* or whistleblower provision, which permits a private person with knowledge of a false claim submitted to a government agency for reimbursement to file a lawsuit on behalf of the U.S. government. Retaliation against whistleblowers is strictly prohibited under both the FCA and similar state laws.

2.2 Stark Law and Anti-Kickback Statute

Bridgemoor intends to fully comply with the Physician Self-Referral Law, also known as the Stark Law, and similar state statutes which prohibit healthcare entities from submitting any claim for certain services called designated health services if the referral comes from a physician with whom the healthcare entity has a prohibited financial relationship. Bridgemoor will also comply with the Federal Anti-Kickback Statute and similar state statutes which prohibit payments (direct or indirect) made to induce or reward the referral or generation of government healthcare program business.

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Texas State Law Addendum

STATE HEALTHCARE FRAUD, ABUSE, AND FALSE CLAIMS LAWS

I. TEXAS ANTI-KICKBACK STATUTE

Texas law has its own version of an anti-kickback statute that is far more expansive than the federal Anti-Kickback Statute. The Texas Illegal Remuneration Act prohibits anyone from intentionally or knowingly offering to pay or agreeing to accept any remuneration (directly or indirectly, overtly or covertly, in cash or in kind) to or from anyone else for securing or soliciting patients for or from a person licensed, certified, or registered by a Texas healthcare regulatory agency. Unlike the federal Anti-Kickback Statute, which only applies to payments made by federal health care programs, the Texas Illegal Remuneration Act applies to all payers, including private insurance companies. As a means of balancing this broad application, however, the Texas Illegal Remuneration Act provides that compliance with the federal Anti-Kickback Statute constitutes compliance with the Texas Illegal Remuneration Act.

II. TEXAS FALSE CLAIMS LAWS

Texas has a state version of the federal False Claims Act that is substantially similar to the federal False Claims Act. The Texas False Claims Act prohibits conduct similar to that addressed under the federal False Claims Act, but the Texas prohibitions apply to the submission of false or fraudulent claims or statements that would be paid specifically by the state's medical assistance program or would qualify a provider to receive payment thereunder. Also, under the Texas False Claims Act, a person may be liable if he presents a claim for payment under the Medicaid program for a product or service that was rendered by an unlicensed provider or that has not been approved by a healthcare practitioner.

The Texas False Claims Act also has a whistleblower provision. Like the federal False Claims Act, the Texas law includes provisions to prevent employers from retaliating against employees who report their employer's false claims.

Texas has adopted other false claim laws that generally prohibit a person from knowingly submitting false statements or misrepresentations of material fact in order to receive compensation under the Texas Medicaid program.

REFERENCES:

- Texas Illegal Remuneration Statute (Tex. Occ. Code 102.001 et seq.)
- Tex. Hum. Res. Code 36.001-.132
- Tex. Gov. Code 531.101-.108

2.3 Ineligible Persons, Excluded Individuals and Entities

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

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At Bridgemoor we will regularly complete Federal and State level exclusions checklists of all our workforce. This check will be in accordance with our Exclusion Check Policy and will ensure no new or existing employee is providing services to any beneficiary of a federally funded government healthcare program. Should we become aware of such a situation we will immediately move to terminate that employee.

2.4 Antitrust

Federal and state antitrust laws are designed to create a level playing field in the marketplace and to promote fair competition. Discussions with competitors concerning Bridgemoor's business can violate these laws. Prohibited subjects of conversation include any aspect of pricing, terms of supplier relationships, Bridgemoor's services in the market, key costs such as labor costs, and marketing plans. No Workforce Member shall discuss with any competitor market allocation or refusals to deal with certain suppliers. This also includes any online communication, social media, or similar forms of communication.

2.5 Health, Safety, and Environmental Requirements

Workforce Members shall be familiar with all applicable federal, state, and local health and safety laws and regulations, and shall act in compliance with the letter and spirit of those requirements at all times. It is the policy of Bridgemoor to manage and operate its business in the manner which protects the health and safety of all Workforce Members and respects the environment and conserves natural resources.

2.6 Equal Employment Opportunity, Anti-Discrimination and Unlawful Harassment

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

PRINCIPLE 3 - CONFIDENTIALITY

Workforce Members must actively protect and safeguard confidential, sensitive, and proprietary information.

3.1 Patient Information

All Workforce Members must maintain the confidentiality and security of patient information according to applicable laws and regulations, including the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and applicable state laws. Workforce Members must not reveal any personal or confidential information concerning patients unless permitted or required by law for legitimate business or patient care purposes. Patient authorization for the release of the information will be obtained as necessary and appropriate. If questions arise regarding any obligation to maintain the confidentiality of information or the appropriateness of releasing information, Workforce Members should seek guidance from their supervisor, the HIPAA Privacy Officer or the Corporate Compliance Officer. Workforce Members should never disclose confidential patient information to any unauthorized person.

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3.2 Proprietary Information

Information, ideas, and intellectual property assets of Bridgemoor are important to the organization's success. Information relating to Bridgemoor's competitive position or business strategies, payment and reimbursement information, and information relating to negotiations with Workforce Members or other organizations must be protected and shared only with those with a need to know such information. Workforce Members should exercise care to ensure that intellectual property, including trademarks, copyrights, and software, is maintained and managed to preserve and protect its value.

PRINCIPLE 4 - BUSINESS ETHICS AND PROTECTION OF ASSETS

In furtherance of Bridgemoor's commitment to the highest standards of business ethics and integrity, Workforce Members shall accurately and honestly represent Bridgemoor, and shall not engage in any activity or scheme intended to defraud anyone of money, property, or honest services. Workforce Members must take all reasonable steps to preserve and protect Bridgemoor assets by making prudent and effective use of its resources, and properly and accurately report its financial condition.

4.1 Honest Communication

Workforce Members are expected to communicate with candor and honesty in performing their job responsibilities and in dealing with one another, patients, families and significant others, and those individuals encountered during the course of business.

4.2 Accuracy of Records

All Workforce Members are responsible for the integrity and accuracy of Bridgemoor documents and records (including paper documents such as letters and memos, computer-based information such as email or computer files on disk or tape, and any other medium that contains information about Bridgemoor or its activities), not only to comply with regulatory and legal requirements but also to ensure that records are available to defend business practices and actions. No Workforce Member shall alter, falsify, or purposefully omit information on any record or document. Corrections to any record or document shall be made pursuant to established policies and procedures.

4.3 Internal Controls and Financial Reporting

The accuracy of reporting, documenting, and maintaining financial information is essential to Bridgemoor's business operations. Financial information is not only used to manage Bridgemoor's general day-to-day operations, but also serves an important role in managing Bridgemoor relationships with patients, vendors, and others. This information is also necessary for compliance with federal and state tax and financial reporting requirements.

Bridgemoor maintains financial books and records in accordance with all applicable legal requirements. All financial information must reflect actual transactions and conform to generally accepted accounting principles. No undisclosed or unrecorded funds or assets may be established. Bridgemoor shall maintain a system of internal controls to provide reasonable assurances that all transactions are executed in accordance with management's authorization and are recorded in a proper manner so as to maintain accountability of the organization's assets. Workforce Members shall comply with these controls. Any financial information relied upon for general day-to-day operations must be adequate, reliable, and complete to reasonably support the purpose(s) for which the information is being used.

4.4 Business Expenses

If a Workforce Member is authorized to incur business expenses on behalf of Bridgemoor, such Workforce Member is responsible for the accurate and timely reporting of such expenses. All

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expenditures must be in accordance with applicable policies and related to true business expenditures.

4.5 Personal Use of Corporate Assets

All Workforce Members are expected to refrain from using Bridgemoor's assets for personal use. All operations of the organization shall be conducted in the manner designed to further Bridgemoor's interests rather than the personal interests of an individual Workforce Member. Workforce Members are prohibited from the unauthorized use or taking of Bridgemoor's equipment, supplies, materials, or services. Prior to engaging in any activity on company time which will result in compensation to the Workforce Member or the use of Bridgemoor's equipment, supplies, materials, or services for personal or non-work related purposes, the Workforce Member shall obtain approval from his/her supervisor and department manager.

PRINCIPLE 5 - CONFLICTS OF INTEREST

Bridgemoor Workforce Members owe a duty of undivided and unqualified loyalty to act in a manner that is in the best interest of the organization. Workforce Members shall not use their positions to profit personally or to assist others in profiting in any way at the expense of the organization.

5.1 Disclosing Conflicts of Interest

Workforce Members should fully disclose to their managers or supervisors any actual or potential conflicts of interest. Bridgemoor's *Conflicts of Interest* Policy provides additional guidance in this area and Workforce Members should contact their supervisor, manager, or the Corporate Compliance Officer with questions.

5.2 Gifts and Gratuities

Bridgemoor aims to preserve and protect its reputation and to avoid the appearance of impropriety. Workforce Members shall not solicit or accept money, gifts, entertainment, or other favors from any vendors, contractors, or suppliers unless specifically allowed by Bridgemoor's policy or written authorization of the Corporate Compliance Officer. Workforce Members shall not solicit money, personal gratuities, or gifts from patients or vendors or accept money, personal gratuities, and gifts of more than a nominal value from patients or vendors.

5.3 Participation on Outside Boards of Directors

Workforce Members are encouraged to participate in the civic and social affairs of their communities. This may include serving on the board of directors of various civic and charitable organizations. Prior to serving as a member of the board of directors of any organization that may have an interest that conflicts with those of Bridgemoor, Workforce Members must disclose such potential service to the Corporate Compliance Officer for review. Certain Workforce Members must disclose annually their involvement in outside boards of directors on Bridgemoor's *Conflict of Interest Disclosure Statement*.

PRINCIPLE 6 – REPORTING SUSPECTED WRONGDOING

Bridgemoor is committed to complying with all applicable laws and regulations, including those designed to prevent and deter fraud, waste, and abuse. All Workforce Members have an affirmative duty to promptly report actual or potential wrongdoing, including an actual or potential violation of laws, regulations, ethics and safety requirements, or Bridgemoor's *Code of Conduct*, policies, and procedures.

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6.1 Compliance Hotline

Workforce Members who are reporting actual or potential wrongdoing, including the actual or potential violation of laws, regulations, ethics and safety, or Bridgemoor's *Code of Conduct*, policies, and procedures are encouraged to use the anonymous Compliance Hotline **(1-833-230-0002)** at any time. Members may also report by completing the [Hotline webform](#). All Workforce Members should feel safe reporting through the Compliance Hotline without fear of retribution or loss of privacy. Members should call the Hotline anytime an issue of noncompliance or unethical behavior is seen or suspected.

Those who do not wish to use the Compliance Hotline may also report compliance concerns using other methods (e.g. Internet; email, U.S. Mail, personal contact to a supervisor, the Corporate Compliance Officer, or other Bridgemoor representatives), although these methods may not provide for anonymity.

6.2 Non-Retaliation

Workforce Members reporting concerns in good faith are protected from retaliation, retribution, harassment, or any type of discrimination or adverse action. Any Workforce Member who feels that they have been retaliated against should report this immediately, using any of the methods described above.

6.3 Self-reporting Noncompliance

Self-reporting noncompliance is encouraged — anyone who reports their own wrongdoing or violation of laws, regulations, ethics and safety requirements, or Bridgemoor's Code of Conduct, policies, and procedures will be given due consideration in potential mitigation of any disciplinary action.