



<b>Title</b> Code of Ethics & Conduct	<b>Document ID#</b>
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<b>Approved By</b> Executive Team	<b>Date Revised</b>
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**Policy:**

Capstone Health Alliance will conduct business in a manner that is consistent with our organizational values and established set of behaviors.

**Purpose:**

To guide employees in the conduct of business activities for Capstone Health Alliance, Inc. (Capstone).

**I. CODE OF ETHICS**

Ethics is defined as rules of conduct or moral principles that guide individual or group behavior. The focus in business ethics is on awareness of organizational values, guidelines and codes, and behaving within those boundaries when faced with dilemmas in business or professional work. Capstone’s Code of Ethics consist of Values, Behaviors, & Conduct that work systematically together to achieve our organizational goals.

**A. VALUES – “ELEVATE” – Rising to the Top**

Core values are the handful of guiding principles by which a company navigates. Capstone’s established values are the following:

- Excellence
- CoLlaboration
- Respect -
- InnoVation
- Agility
- InTegrity
- MembEr-Driven

**B. BEHAVIORS**

1. **Do the Right Thing, Always** – We demonstrate a commitment to doing the right thing in every action we take and in every decision we make,

even when no one is looking. If we make a mistake, we own up to it, and make it right.

2. **Make Quality Personal** – We take pride in the quality of everything we touch and everything we do. We always ask, “Is this my best work?” Everything we touch has our signature and we sign in bold ink.
3. **Create A Tone of Friendliness and Warmth** – Every conversation, phone call, email, letter and voicemail sets a tone. We pay attention to every interaction and make sure we set a tone of friendliness, warmth and helpfulness.
4. **Honor Commitments** – We are true to our word. We do what we say we are going to do and when we are going to do it. We respond timely to questions and concerns.
5. **Practice Blameless Problem Solving** – We apply creativity and enthusiasm to developing solutions rather than pointing fingers and dwelling on problems. We identify lessons learned and use these lessons to improve our processes, so we don’t repeat the same mistakes.
6. **Find a Way** – We are willing to do whatever it takes to accomplish the job...and more. We take personal responsibility for making this happen by looking for new ways we can do something rather than explaining why we can’t.
7. **Set Clear Expectations** – We create transparency & avoid misunderstandings by discussing expectations up front. We clarify all objectives, deadlines and commitments. We don’t make assumptions.
8. **Celebrate Success** – We look for ways people are doing things right as this is more effective than looking for things being done wrong. We consistently extend meaningful acknowledgement and appreciation in all directions throughout Capstone. We always assume positive intent.
9. **Deliver Results** – While effort is appreciated, we reward and celebrate results. We set high goals and use measurement to track progress. We hold ourselves accountable to achieving outcomes.
10. **Be Consistent About Improvement** – We regularly reevaluate every aspect of our role to find ways to advance. “Because we have always done it this way” is not a reason. We commit to continued improvement.

## II. CONDUCT

### A. Compliance with Applicable Laws

Capstone shall comply with all applicable federal, state, & local laws. Capstone shall stay abreast of changes in the law and provide updates and training on those laws for its employees.

**B. Professionalism**

Employees of Capstone will conduct all work activity in a professional manner, demonstrating honesty, trust and integrity. The manner that business is conducted reflects the values of the organization.

**C. Conflict of Interest**

Gifts to Capstone employees: No Capstone employee shall accept gifts, entertainment, favors, honoraria or personal service payments other than of nominal value from any participating vendor.

Equity ownership by Capstone employees: No Capstone employee shall, without appropriate disclosure, own an individual equity interest in any participating vendor where they would be in a position to influence a contracting decision.

Insider Trading: Insider trading by an employee of Capstone based on any knowledge of vendors or their prospects gained through their employment is prohibited.

**D. Capstone Corporate Equity Interest**

Capstone shall hold no corporate equity interest in any participating vendor, unless the acquisition of the equity interest demonstrably benefits the Capstone membership by creating a source for a product or service where there is no other source or very limited sources.

Disclosure of Equity Investment: Any corporate equity interest approved by Capstone will be disclosed to the members at the time the equity investment is made and annually as part of Capstone's annual disclosure statement to members.

**E. Member Relations, Product Evaluations and Vendor Grievances**

Capstone is committed to identifying and making available, to all members, innovative products and technologies to promote high quality and cost-effective healthcare and for the exchange of information relating to clinical data, quality, safety, and other innovations in the industry.

Member Communications

- a. Capstone will implement all contracts, programs and service offerings in such a way as not to hinder in any way a member's ability to communicate directly with vendors.
- b. Capstone will not hinder a member's ability to communicate directly with vendors who do not hold Capstone contracts.
- c. Capstone will not hinder a member from purchasing clinical preference products or services directly from a vendor Capstone does not have a contract with.

## **F. WHISTLEBLOWER**

If an employee has knowledge of or a concern of illegal or dishonest fraudulent activity, the employee is to contact his/her immediate supervisor or the VP of Finance and Corporate Compliance. The employee must exercise sound judgment to avoid baseless allegations.

Whistleblower protections are provided in two important areas -- confidentiality and against retaliation. Insofar as possible, the confidentiality of the whistleblower will be maintained. However, identity may have to be disclosed to conduct a thorough investigation, to comply with the law and to provide accused individuals their legal rights of defense. The Company will not retaliate against a whistleblower. This includes, but is not limited to, protection from retaliation in the form of an adverse employment action such as termination, compensation decreases, or poor work assignments and threats of physical harm. Any whistleblower who believes he/she is being retaliated against must contact the Vice President of Finance & Corporate Compliance immediately. The right of a whistleblower for protection against retaliation does not include immunity for any personal wrongdoing that is alleged and investigated.

## **G. PROCEDURE FOR INVESTIGATION OF VIOLATION:**

- Once a complaint is filed, the VP of Finance & Corporate Compliance will then begin an investigation.
- Depending on the seriousness of the offense, there will be discussions with Executive leadership.
- Discussions and inquiries will be handled promptly, discreetly and kept in strict confidence to the extent appropriate by policy or law.
- Any employee who is found to have committed a compliance violation will be subject to disciplinary action up to and including termination.

## **H. MONITORING & FOLLOW UP**

Leadership fosters an open door policy and expressly wants to hear about anything that challenges our business practices. Expense reports are monitored to insure there are no violations concerning meetings with vendors. Other areas of concern will be monitored as questions are raised.

**I. ANNUAL REVIEW & ACKNOWLEDGEMENT**

Each Capstone employee will review and acknowledge this Code of Ethics & Conduct on an annual basis.

I, \_\_\_\_\_, hereby  
acknowledge that I:

- have received a copy of the Capstone Code of Conduct Policy;
- have read and understand the Capstone Code of Conduct Policy;
- have agreed to comply with the Capstone Code of Conduct Policy.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date