### TABLE OF CONTENTS

I. **OUR CORE VALUES** .......................................................................................................................... 4

II. **ABOUT THE STANDARDS OF BUSINESS CONDUCT** ................................................................. 4

III. **COMPLIANCE WITH THE BCBSVT STANDARDS** ........................................................................ 5

- Management Responsibility .............................................................................................................. 5
- Reporting Suspected Violations ......................................................................................................... 6
- Non-Retaliation Policy ("Whistleblower Protection") ....................................................................... 7
- Discipline ........................................................................................................................................... 7
- Resources .......................................................................................................................................... 7
- Compliance Program .......................................................................................................................... 8

IV. **CONFLICTS OF INTEREST AND ETHICAL BUSINESS CONDUCT** ........................................ 8

- Prohibition of Conflicts of Interest ................................................................................................... 8
- Personal Financial Interests ............................................................................................................... 8
- Employment of Relatives ................................................................................................................... 9
- Outside Employment and Other Activities ....................................................................................... 9
- Someone Close to You Working in the Industry ............................................................................... 9
- Gifts and Special Courtesies ............................................................................................................. 9
- Kickbacks and Rebates ..................................................................................................................... 9
- Acceptance of Gifts and Special Courtesies ..................................................................................... 9
- Offering Gifts and Special Courtesies .............................................................................................. 10
- Business Entertainment .................................................................................................................... 10
- Appearance of Impropriety ................................................................................................................. 11
- Vendor/Supplier Relationships ............................................................................................................ 11
- Business Agreements .......................................................................................................................... 12
- Fair Business Practices ....................................................................................................................... 12
- Specific Guidelines On Pricing .......................................................................................................... 12
- Relationship with Outside Accountants ............................................................................................. 13

V. **BUSINESS WITH THE GOVERNMENT** ....................................................................................... 13

- Gifts, Gratuities, and Payments To Government Employees ............................................................. 13
- Government Business Gift Guidelines ............................................................................................. 13
- Federal Anti-Kickback Statutes .......................................................................................................... 13
- Procurement Integrity .......................................................................................................................... 13
- Requests for Information from Government Agencies ...................................................................... 14
- Medicare Fraud, Waste and Abuse ..................................................................................................... 14

VI. **THE BCBSVT WORK ENVIRONMENT** ...................................................................................... 15

- Our Work Environment ..................................................................................................................... 15
- Drug Policy ......................................................................................................................................... 15
- Alcohol Policy ..................................................................................................................................... 15
- Other Activities .................................................................................................................................... 16
- Employee Security .............................................................................................................................. 16
- Qualification of BCBSVT Employees ................................................................................................. 16
Misconduct Off the Job ................................................................................................................... 16
Employment of Government Personnel ......................................................................................... 16
Equal Employment Opportunity ...................................................................................................... 16
Discrimination or Harassment ....................................................................................................... 17
Personnel Policies .......................................................................................................................... 17

VII. PROTECTING BCBSVT’S ASSETS .............................................................................................. 17

Confidential and Proprietary Information – About Our Business ................................................. 18
Confidential Information – About Our Members ............................................................................ 18
Confidential Information – About Our Employees ......................................................................... 19
Requests for Confidential Information – Related to Government Contracts ................................. 19

VIII. USE OF BCBSVT’S ASSETS .................................................................................................... 19

Electronic Assets ............................................................................................................................. 20
Recording and Reporting Information............................................................................................ 20
Reporting, Accounting and Internal Control Irregularities ........................................................... 21
Record Retention and Destruction .................................................................................................. 21
Media Relations and Communications ........................................................................................... 21

IX. POLITICAL ACTIVITY AND CONTRIBUTIONS .................................................................. 21

X. ONLINE ACTIVITIES .................................................................................................................. 22

XI. LAWS AND REGULATIONS ...................................................................................................... 23

XII. IMPLEMENTATION .................................................................................................................. 23

Annual Training .............................................................................................................................. 23
Review of the Standards of Business Conduct ............................................................................. 24
I. OUR CORE VALUES

- **Customer-driven Excellence.** We strive to understand the expectations of today’s customers, and anticipate the desires of tomorrow’s. Our service levels shall exceed our customers’ standards for excellence. We value flexibility and the capacity to lead and respond to rapid change. We focus on key results, and creating value for our customers, our employees, our partners, and our community.

- **Focus on the Future.** We align our strategic direction with our customers’ needs. Our leaders envision the future and establish goals to reach that future. We strive to anticipate our customers’ expectations, technological developments, evolving regulatory requirements, community expectations and strategic moves by competitors. Continuous improvement in products, services and processes is our daily objective. We monitor and manage performance for business results by aligning key indicators, key strategies, key processes, with our financial, technical and human resources to improve overall performance and customer satisfaction.

- **Valuing Each Other and Our Partners.** We understand that our success depends in great part on the knowledge, skills, creativity and motivation of our employees. We are committed to employees’ development, success, and well-being. Learning is a regular part of our daily work at the individual, work unit, and organizational levels. We invest in employees’ success by providing opportunities for education, training, and practicing new skills. We recognize our providers as critical partners in the delivery of quality health care, and we strive to provide them with the best practices and performance information they need to provide service excellence to our customers.

- **Integrity, Public Responsibility and Citizenship.** We are a good corporate citizen. We practice impeccable business ethics. We are at all times cognizant of the welfare of our customers and their need to access high quality health care.

- **Always Put Member Experience First.** Success now and in the future will rely on providing outstanding member experiences. We are committed to providing our members with personalized information and resources to meet their needs. We are also committed to providing them with the tools they need to navigate a complex health care system.

II. ABOUT THE STANDARDS OF BUSINESS CONDUCT

Our success as business professionals depends on our ability to build trusting relationships with fellow employees, customers, members, providers, suppliers, licensees, business partners, and regulators. Completing our mission within the complex and dynamic health care industry requires that we should always strive to conduct our business activities in an honest, open and fair manner. Even the mere appearance of non-compliant or unethical behavior can have detrimental effects on our collective success. We want to "do the right thing," because it is the right thing to do. This document discusses Blue Cross and Blue Shield of Vermont’s ("BCBSVT") Standards of Business Conduct and provides general guidelines to help you understand the standards and ethics that underlie the Company’s business practices. The Standards also reflect our “Core Value” of **Integrity, Public Responsibility**
and Citizenship. Because of these values, it is important that all employees perform their corporate responsibilities as a good corporate citizen and practice impeccable business ethics.

The Standards of Business Conduct apply to our Board of Directors (in the performance of their responsibilities as BCBSVT Directors) as well as every officer and employee of BCBSVT and its subsidiaries and have the support and approval of the BCBSVT Board of Directors and Executive Management. (For ease of reference, all policies and procedures described herein as applying to “employees” shall also apply to our Board of Directors, to the extent applicable. Similarly, references to “BCBSVT” or the “Company” shall be deemed to include all subsidiaries.) No one is exempt from their application and failure to comply with these Standards may subject you to disciplinary actions, up to and including termination. All employees are responsible for knowing, understanding and complying with the Standards, as well as with all applicable laws and regulations and BCBSVT policies and procedures. The Standards provide a framework for putting BCBSVT's values and obligations into action. Other corporate policies and practices, as well as good common sense, should guide your conduct. BCBSVT requires all employees to take responsibility for not only safeguarding the integrity of the Company, but also ensuring the integrity of his or her own actions. The following questions may help you to evaluate specific situations in your business dealings:

- Will my action comply with the intent and purpose of the BCBSVT Standards?
- Will I compromise myself if my actions become known to my supervisor, coworkers and friends?
- Is this action honest in every respect?
- Could this action appear inappropriate to others, even if it is ethical?

Our conduct is our own responsibility. We must never engage in unethical, fraudulent, dishonest or illegal acts, even if directed to do so by a supervisor or coworker, nor direct others to act improperly. We must also fully comply with applicable laws and regulations as well as Company policies and procedures and accounting and recordkeeping requirements. Any request to engage in an act that is contrary to the Standards of Business Conduct outlined in this document must be reported immediately to your manager and the Audit and Business Consulting or Legal departments.

If you have questions about the Standards, you are encouraged to discuss them with your supervisor, director, the Human Resource department, the Legal department or with the Audit and Business Consulting department. In addition, you may submit questions about the Standards using the link on the Compliance page on the Company’s “Blues Connection” intranet site.

III. COMPLIANCE WITH THE BCBSVT STANDARDS

Management Responsibility
Management has a special responsibility for the implementation of the BCBSVT Standards and will be measured in performance for:

- Assuring that all current and new employees under their supervision are trained in the meaning and application of the BCBSVT Standards of Business Conduct.
- Embracing the Standards and serving as a role model.
- Maintaining a workplace environment supportive of the Standards.
• Ensuring that employees receive the training and guidance required to be knowledgeable and understanding of the Standards.

Reporting Suspected Violations
All employees have an obligation to report any actual or suspected violation of the BCBSVT Standards of Business Conduct. **Those who report an actual or suspected violation in good faith will be protected from retaliation.** Reporting actual or suspected violations is not an act of disloyalty. Rather, it shows responsibility and fairness to other employees and our customers and protects BCBSVT’s reputation and assets.

Employees who seek guidance or want to report an actual or suspected violation in a confidential manner without fear of retaliation, should contact the Ethics/Fraud Hot Line (maintained by the Audit and Business Consulting department), which is answered from 8:00 a.m. to 5:00 p.m. Eastern Time Monday through Friday or they may submit an anonymous report to the Compliance Officer using the link on the Compliance page on the Company’s “Blues Connection” intranet site.

**Ethics/Fraud Hot Line:** (800) 337-8440 or Ext: 3795
**Audit Department Post Office Box 186, Montpelier, Vermont 05601**
**Email:** fraud_issues@bcbsvt.com
**Blues Connection link:** [https://inet/opencms/site/knowledge/compliance/compliance_inquiry_form.html](https://inet/opencms/site/knowledge/compliance/compliance_inquiry_form.html)

If a call is received on the Ethics/Fraud Hot Line when staff is unavailable or outside business hours, voicemail will record the caller’s message. A representative of the Audit and Business Consulting department will return the call if the caller provides his or her name and telephone number. It is not necessary to identify yourself when calling the Ethics/Fraud Hot Line or submitting a report through the Compliance page link. However, you will need to provide enough information about the incident or circumstance to allow the Audit and Business Consulting department or the Compliance Officer, as the case may be, to initiate an investigation. It is BCBSVT’s policy to research all reports of suspected or actual violations of the Standards of Business Conduct and to preserve the anonymity of anyone who reports unethical or fraudulent activity, subject to limits imposed by law. All reports are treated confidentially and every attempt will be made to protect the identity of the employee who reports the issue or incident. Conversations with Ethic/Fraud Hot Line staff are not recorded or traced, nor are submissions using the Compliance page link.

When a report of a potential or suspected violation of the BCBSVT Standards is made, the Audit and Business Consulting department or the Compliance Officer will initiate appropriate action to review and/or investigate the reported matter. Upon receipt of any allegation of fraud, waste or abuse involving the Medicare Part D Prescription Drug Program, the Compliance Officer will determine whether the matter should be referred to the compliance officer for the Region 2 Part D Plan Joint Enterprise (the “Joint Enterprise”) through which BCBSVT offers its Medicare Part D product or whether the matter should be referred to the Joint Enterprise’s pharmacy benefit manager. Employees are expected to cooperate fully during an investigation. Any employee who violates the BCBSVT Standards or internal policies and procedures is subject to disciplinary action imposed by management in consultation with Human Resources and the Legal department.
Non-Retaliation Policy (“Whistleblower Protection”)
Any employee who reports, in good faith, any alleged act of misconduct will not be subject to retaliation or retribution. Any employee, regardless of seniority or status, engaging in retaliatory activity will be subject to discipline, up to and including termination.

Discipline
Disciplinary action may be taken for, but not limited to, any of the following circumstances:

- Authorizing or participating in any actions that violate the Standards or violate Company policies and/or procedures.
- Authorizing or participating in any actions that violate federal or state laws or regulations.
- Failing to report a possible violation of the Standards, other Company policies and procedures, or laws or regulations.
- Refusing to cooperate in the investigation of a potential violation of the Standards, other Company policies and procedures, or laws or regulations.
- Disclosing confidential information about an investigation.
- Failing, as a violator’s supervisor(s), to detect and report a violation, if such failure reflects inadequate oversight.
- Retaliating against an individual for reporting a potential violation of the Standards, other Company policies and procedures, or laws or regulations.
- Intentionally making false reports of misconduct or violation of the Standards, other Company policies and procedures, or laws or regulations.

The degree of disciplinary action will depend on the nature of the violation and circumstances involved.

Resources
When you have a question or concern about the BCBSVT Standards or need to report or discuss issues related to a possible violation of the Standards, policies and procedures, or an ethical dilemma, you can contact your supervisor, director, division vice president, HR department or the Legal department.

Your supervisor is responsible for knowing and demonstrating compliance with the BCBSVT Standards, applicable laws and regulations, operational policies and procedures and accounting standards within his or her area of operation. **Your supervisor is the primary contact** to answer questions and provide direction regarding compliance concerns and operational policies and procedures. If you do not feel comfortable talking with your supervisor about a potential compliance concern, you can also contact your director, division vice president, HR representative, the BCBSVT Compliance Officer or Legal department or you may report your concern using the Ethics/Fraud Hot Line or the Compliance page link. The Compliance Officer will facilitate investigations and ensure resolution of suspected violations of the Standards and Company policies and procedures. The Compliance Officer works collaboratively with management, Human Resources, the Legal department and the Audit and Business Consulting department to ensure fair resolution of ethical and compliance concerns.
Compliance Program
The Company has adopted a detailed Compliance Program that provides additional information regarding each employee’s obligation to comply with all federal and state legal standards applicable to the Company and the actions to be taken by the Company to promote compliance and address suspected compliance violations. All employees are required to familiarize themselves with the requirements of the Compliance Program. A copy of the Compliance Program is available on the Company’s Intranet and paper copies may be obtained from the Compliance Officer.

IV. CONFLICTS OF INTEREST AND ETHICAL BUSINESS CONDUCT

Prohibition of Conflicts of Interest
BCBSVT employees must discharge their responsibilities in a manner that furthers the interests of the Company, and must not compromise those interests due to actual or perceived conflicting interests with other business or personal concerns. As an employee, you must disclose any situation where a conflict could occur, exist or appear to exist between your personal interests and those of BCBSVT. A conflict of interest arises when the personal interests or activities of an employee appear to influence, or may influence, that employee’s ability to act in the best interests of BCBSVT.

Upon hire and annually thereafter, the Board of Directors, officers and director-level employees, the purchasing agent, employees directly involved in the Medicare Part D product, and employees directly involved in the FEP program are required to complete a Conflict of Interest Disclosure Statement. If you are uncertain about whether an actual or potential conflict of interest exists, promptly disclose and discuss the situation with your supervisor. Generally, a conflict of interest can be avoided or resolved if it is disclosed in advance. The Compliance Officer will ensure that Conflict of Interest Disclosure Statements are distributed and completed in a timely manner. The Compliance Officer will review all Conflict of Interest Disclosure Statements and recommend actions to avoid or resolve all disclosed real or potential conflicts of interest. In addition, any employee who has an actual conflict of interest is required to complete a Conflict of Interest Disclosure Statement.

Personal Financial Interests
BCBSVT employees may not own, directly or indirectly, a significant financial interest in any business entity that engages in business with, seeks to do business with, or competes with BCBSVT unless BCBSVT’s Chief Executive Officer has granted specific written approval in advance. In general, a “significant financial interest” is ownership by an employee and/or immediate family members of more than 1% of the outstanding securities/capital value of a corporation or that represents more than 5% of the total assets of the employee and/or immediate family members. As used herein, the term “immediate family member” includes the employee’s spouse or domestic or civil union partner, parents, siblings and their spouses or domestic partners, and children (including biological, legally adopted, foster children, stepchildren, legal wards, and other persons for whom the employee acts as parent) and their spouses or domestic or civil union partners.
**Employment of Relatives**

BCBSVT allows the employment of relatives provided any potential for conflict of interest in business decisions has been disclosed and addressed. Relatives may be employed provided they meet all employment qualifications and their employment does not result in a situation where relatives directly or indirectly supervise each other. This includes formal and informal control of each other’s work assignments and/or direct impact on performance and compensation evaluations.

**Outside Employment and Other Activities**

Your primary employment obligation is to BCBSVT. Any activities such as a second job must not conflict with your obligations to BCBSVT and must be reported to your supervisor. Also, you may not use company time, name, influence, assets, facilities, materials or the services of other employees for any outside activities. BCBSVT, however, encourages non-compensated activities, such as service on voluntary community boards and organizations and involvement with charitable organizations.

**Someone Close to You Working in the Industry**

You may find yourself in a situation where your spouse, another member of your immediate family, or someone else you are close to has a relationship with a competitor of BCBSVT or another business in the health benefits industry. Such situations require extra sensitivity to security, confidentiality and conflicts of interest.

**Gifts and Special Courtesies**

BCBSVT obtains business on the merits of its products, services and people. When business decisions are made for the Company, employees must make those decisions with honesty, integrity, independence and objectivity of judgment that must not be compromised. Modest gifts and entertainment are a part of normal business courtesy. BCBSVT employees should always use good judgment and discretion to avoid even the appearance of impropriety or obligation. BCBSVT employees should be certain that any gift given or received or entertainment hosted or attended does not violate the law, customary business practices or the BCBSVT Standards.

**Kickbacks and Rebates**

Purchase or sale of goods and services must not lead to the receipt of "kickbacks" or rebates by the Company, its personnel or their families. "Kickbacks" or rebates can take many forms and are not limited to direct cash payments or credits. In general, if you or your family stand to gain personally through the transaction, it is prohibited. Such practices are not only unethical but are, in many cases, illegal. Standard commercial rebates on business supplies and the like paid in the ordinary course of the business may be accepted, provided that they are turned over to the Company. See also Section V below. (This paragraph is not meant to prohibit negotiated pharmaceutical rebates paid pursuant to a pharmacy benefit management contract.)

**Acceptance of Gifts and Special Courtesies**

You and your immediate family members may accept gifts or other special courtesies from individuals or entities outside of BCBSVT provided:

- Acceptance of the gift or special courtesy will not compromise your ability to act in the best interests of BCBSVT.
- The value of the gift or special courtesy does not exceed $100.00 per occasion.
• The gift or special courtesy is reasonable and appropriate to the occasion and given on an infrequent basis.

• The gift or special courtesy is not cash (gift certificates, honorariums, coupons and vouchers are considered cash gifts).

• Disclosure is made to your supervisor.

• You are not an employee of a BCBSVT business unit administering a government contract wherein more stringent gift exceptions may apply.

**Offering Gifts and Special Courtesies**

Employees must never offer to give money directly or indirectly to influence, obtain or retain business. Such payments may be considered bribes or kickbacks that violate BCBSVT’s policies as well as applicable laws. BCBSVT employees may offer gifts or special courtesies to individuals or entities outside of BCBSVT provided:

• The gift or business courtesy is reasonable and appropriate for the occasion and approved by your supervisor or director.

• The total value of the gift or special courtesy does not exceed $100.00 per person. (There is a $15 limit applicable to customer gifts under the Medicare Part D program.)

• A departmental record is maintained referencing the name of the individual or entity to whom a gift or special courtesy is offered and the value of each gift or special courtesy.

• The gift or business courtesy is not an attempt, or could be perceived as an attempt, to influence any business decision to obtain or retain business.

• The gift or business courtesy is not cash or a cash equivalent such as a coupon, gift certificate, voucher or honorarium.

• The gift or business courtesy extended does not violate any law or regulation or the gift and special courtesy policy of the recipient’s company or organization.

• You are not an employee of a BCBSVT business unit administering a government contract wherein more stringent gift exceptions may apply.

**Business Entertainment**

BCBSVT recognizes that business entertainment is an element of the Company’s ongoing relationship with its current customers and future business prospects. You may accept business-related entertainment if in doing so you are acting in the best interests of BCBSVT and in accepting you do not create the perception that a business decision could be influenced. Similarly, you may offer business-related entertainment if in doing so you are acting in the best interest of BCBSVT and the entertainment is offered in the ordinary course of business. Business entertainment includes, but is not limited to, meal(s), charitable and sporting events, golf, parties, plays, concerts and events where business matters are discussed, but where it is apparent that the event is not intended solely as a business meeting.

During these types of occasions, BCBSVT employees are expected to exercise good judgment about socially appropriate behavior. When participating in business entertainment, employees must consult
management and the BCBSVT Corporate Travel and Reimbursement Policy for specific requirements regarding allowable expenses, required documentation, and reimbursement protocols and procedures.

**Appearance of Impropriety**
There may be occasions when the acceptance of a business courtesy appears to comply with the Standards but, because of the circumstances surrounding the courtesy, acceptance of the courtesy would be inappropriate. It is BCBSVT’s policy not to accept business courtesies of any value, however small, where such acceptance could have the appearance of conferring or rewarding favorable treatment to BCBSVT. Employees are expected to use sound judgment when accepting business courtesies and to avoid all situations that could give rise to the appearance of impropriety.

**Vendor/Supplier Relationships**
BCBSVT employees may be approached by outside sources such as computer vendors, pharmaceutical manufacturers or physicians, offering cash, materials, services or equipment to be used for activities in which BCBSVT is engaged, such as member or provider education and disease management programs. Outside sources may or may not have a current business relationship with BCBSVT. Employees may perceive these offers as an attempt only to assist BCBSVT in its business. However, the offers have the potential to be perceived as bribes, kickbacks or unfair sales practices or they may create the appearance of impropriety, which in each instance would violate BCBSVT policy and may violate applicable laws. If you are contacted by a person who is not a BCBSVT employee and that person offers to enter into an arrangement with you or BCBSVT that has any of the following elements, contact the Legal department to ensure that the activity is permitted under BCBSVT policies and the law:

- Receipt of cash directly or indirectly from an outside source.
- Receipt of products or services free or at less than fair market value from any outside source, including but not limited to:
  - Materials to be distributed internally or externally.
  - Offers to perform mailings on BCBSVT’s behalf at no cost to BCBSVT.
  - Offers to provide research and data results at no cost to BCBSVT.
  - Offers to perform free seminars for BCBSVT employees, physicians or customers.
  - Participation in joint activities, such as health fairs or other marketing activities.
  - Waiver of seminar fees.
  - Offers to participate, without cost to BCBSVT, in industry-related meetings in which travel, meals or entertainment are involved.
- Receipt of anything of value from an outside source, for which no payment or payment of less than fair market value by BCBSVT is involved.

In general, BCBSVT employees may not accept invitations from pharmaceutical manufacturers or other vendors to attend out-of-state conferences (whether as a participant or attendee) at the entire or partial expense of the vendor, as the acceptance of such a benefit could create the appearance of impropriety. With the approval of the Compliance Officer, vendor-sponsored travel may be permitted where the employee is a member of the vendor’s user group or advisory council and in similar situations.
Due to the complexity of anti-kickback laws and other laws that might apply in these situations, contact the Legal department or the Audit and Business Consulting department to determine whether the contemplated activity complies with the BCBSVT Standards and the law.

**Business Agreements**
Employees are expected to adhere to BCBSVT Financial Policies and Approvals Manual and Information Technology Procurement policies prior to engaging in any business arrangements with any agent, broker, representative, consultant or contractor. Such agreements must be in writing and must clearly and accurately state the services to be performed, the basis for earning the commission or fee, and the rate or fee. Further, all such arrangements must contain appropriate confidentiality provisions, including but not limited to HIPAA Business Associate provisions where applicable. Only employees specifically authorized by corporate policy may sign a contract or agreement on behalf of the Company.

**Fair Business Practices**
It is the responsibility of each employee to deal fairly with the Company’s customers, members, suppliers, competitors and employees. Employees must not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other kind of unfair dealing. Vermont law specifically prohibits insurers from engaging in unfair methods of competition and unfair or deceptive acts or practices. Questions about specific prohibited practices should be directed to a member of the Legal department.

BCBSVT operates in a competitive marketplace. We want to compete as aggressively as possible for new members, but we are committed to competing fairly and honestly. You must avoid disparaging our competitors or improperly seeking their trade secrets or other confidential information. In short, you must always conform to the highest standards of ethical conduct.

**Specific Guidelines On Pricing**
One of our more important decisions as an organization is what to charge for our products and services. We must make these decisions alone, without collaborating with any competitor. You must not engage in conduct, however innocent, that creates the impression of collaborating with a competitor on pricing. Specifically, you must never create or participate, either formally or informally in any understanding, agreement or plan with any competitor concerning:

- Our prices or their prices;
- Pricing policies;
- Fees; or
- The terms and conditions of sale of any service or product.

Additionally, you must not exchange or discuss with competitors, nor consult with them about any of the following:

- Prices;
- Terms or conditions of any sale;
- Any other competitive information.
Relationship with Outside Accountants
Employees are prohibited from taking any action to fraudulently influence, coerce, manipulate or mislead any independent public or certified accountant engaged in the performance of an audit of the financial statements of the Company or any subsidiary or affiliate for the purpose of rendering such financial statements materially misleading.

V. BUSINESS WITH THE GOVERNMENT

Gifts, Gratuities, and Payments To Government Employees
State and federal laws regarding gifts, gratuities, and payments to government employees are varied and complex. As a general rule, no payments of money, gifts, services, entertainment or anything of value may be offered or made available in any amount, directly or indirectly, to any state or federal governmental official or employee. This includes, but is not limited to, payments to State or Federal regulators, legislators and lobbyists.

In some instances, the law does permit gifts of nominal value such as greeting cards, advertising trinkets and modest refreshments offered other than as part of a meal. Consult your supervisor, or the Legal department before offering anything to a government employee, even the most modest of items and refreshments.

Government Business Gift Guidelines
Employees working for a business unit administering a government contract (federal, state or local) are prohibited from accepting meals or anything of value from beneficiaries, physicians, vendors, government agents/representatives or anyone conducting or wishing to conduct business with BCBSVT. However, modest items of food, refreshments or trinkets provided during a meeting or seminar may be accepted. Employees working for a business unit administering a government contract are accountable for knowing and complying with their business unit’s policy on gifts, special courtesies and entertainment, as more stringent exceptions applies.

Federal Anti-Kickback Statutes
Federal anti-kickback statutes impose severe criminal, civil and monetary penalties on individuals who offer a kickback and on any company that solicits or accepts kickbacks. A “kickback” is any money, fee, commission, credit, gift, gratuity, thing of value or compensation of any kind, which is provided, directly or indirectly, to any government contractor, government contractor employee, subcontractor or subcontractor employee to improperly obtain or reward favorable treatment in connection with a government contract or a subcontract relating to a government contract or relating to any circumstances where federal health care dollars are involved. Under no circumstances shall any BCBSVT employee accept or give kickbacks when obtaining or awarding contracts, services, referrals, goods or business of any nature.

Procurement Integrity
The Procurement Integrity Act and Federal Acquisition Regulations restrict the activities of contractors and those individuals or companies seeking contracts with the government. BCBSVT employees must not:

- Offer gifts to government officials or competing contractors.
Discuss future employment possibilities with government officials or competing contractors.

Solicit or obtain any proprietary information about competitors or source selection information from government officials. Such information includes, but is not limited to:

- Proposed prices submitted in response to a solicitation or lists of those proposed prices.
- Source selection plans and other information marked as source selection information.
- Technical evaluation plans.
- BCBSVT or competitor’s proposed prices or costs.
- BCBSVT or competitor’s proprietary information about approaches, processes, operations or techniques.
- BCBSVT or competitor’s information identified as contractor bid, proposal information or restricted data, in accordance with applicable laws or regulations.

Further, although the Procurement Integrity Act applies to interaction with the government, as a matter of policy, BCBSVT employees must follow the same guidelines with respect to interaction with competitors.

Requests for Information from Government Agencies
The Company must always provide accurate and complete information to government agencies. Employees must never make false or misleading statements, whether oral or written, to any government official or agency. Employees must never attempt to persuade another Company employee, or any other person, to provide false or misleading information to a government official or agency.

As described in the Company’s Records Management Policy, employees must never destroy or alter any Company document or record in anticipation of or following a request for the document or record by a government agency or court. When a government audit, investigation or litigation is known to be imminent or pending, the Company’s normal document destruction procedures will be suspended until all documents relevant to the litigation, audit or investigation can be identified and segregated.

If you are approached by any person who identifies himself or herself as a government investigator, you should contact the Legal department immediately. A representative of the Legal department will then assist you in following proper procedures for cooperating with the investigation. Employees should not feel pressured to talk to a government investigator without first contacting the Legal department.

Medicare Fraud, Waste and Abuse
The Company is a participant in the Region 2 Part D Plan Joint Enterprise (the “Joint Enterprise”) that offers a Medicare Part D Prescription Drug Benefit in Vermont. The other participants in the Joint Enterprise are Blue Cross and Blue Shield of Massachusetts, Blue Cross and Blue Shield of Rhode Island and Anthem – CT. Employees must comply with the provisions of federal law designed to prevent and detect fraud, waste and abuse in connection with the Medicare Part D program. Federal law prohibits the submission of false eligibility statements and claims to Medicare, including excessive claims, claims for unnecessary services and for unrendered services. The law also prohibits kickbacks in return for referrals for items or services paid for under the Medicare system. Criminal penalties and civil fines can be levied on any person or business submitting a Medicare claim when the claim is
false, fraudulent or misleading. If employees detect or suspect fraud, waste or abuse in connection with the Medicare Part D program, they should notify the BCBSVT Compliance Officer (who also serves as the Medicare Part D Compliance Officer), their supervisor or the Legal department. Employees may also report Medicare Part D fraud, waste and abuse using the Company’s Ethics/Fraud Hotline (800-337-8440 or Ext. 3795) or by using the link for compliance submissions on Blues Connection, https://inet/openecms/site/knowledge/compliance/compliance_inquiry_form.html. Additional requirements pertaining to the Medicare Part D program are included in the BCBSVT Compliance Program Manual available on Blues Connection at https://inet/export/sites/default/site/policies/complianceprogrammanual.pdf

VI. THE BCBSVT WORK ENVIRONMENT

Our Work Environment
Our work environment affects the way we perform our jobs. When we work in an atmosphere of honesty and respect, relationships with our coworkers, customers, physicians and other business partners are enhanced. Blue Cross and Blue Shield of Vermont is committed to complying with all laws and regulations affecting safety, health and the work environment and to providing a workplace that is safe and promotes the employees’ health.

Drug Policy
In accordance with the Drug-Free Workplace Act of 1988, BCBSVT is committed to providing a drug-free workplace, thereby helping to ensure a safe and healthy work environment. Employees, agents, contractors, vendors and visitors are prohibited from the unlawful manufacture, distribution, dispensation, possession or use of controlled substances on BCBSVT owned or leased property, or while representing BCBSVT at any time. Additionally, no employee shall report to work or enter Company property while under the influence of illegal drugs. Unlawful substances are not to be stored in your vehicle on BCBSVT owned or leased premises.

Any employee may voluntarily seek help for a drug problem from the Human Resources department or the Employee Assistance Program. All requests for such help will be strictly confidential. Employees will be referred to appropriate counseling or medical facilities for assistance and may submit bills for payment in accordance with the employees’ health insurance plan. The employee may take a medical leave for such treatment in accordance with the Company’s medical leave policy.

Alcohol Policy
BCBSVT employees, agents, contractors, vendors and visitors are prohibited from the distribution, dispensation, possession or use of alcoholic beverages on BCBSVT owned or leased property at any time. Additionally, no employee shall report to work or enter BCBSVT property while under the influence of alcohol.

Any employee may voluntarily seek help for an alcohol problem from the Human Resources department or the Employee Assistance Program. All requests for such help will be strictly confidential. Employees will be referred to appropriate counseling or medical facilities for assistance and may submit bills for payment in accordance with the employees’ health insurance plan. The employee may take a medical leave for such treatment in accordance with the Company’s medical leave policy.
**Other Activities**
BCBSVT prohibits the following activities:
- Possession of or displaying firearms, explosives or other weapons on BCBSVT owned or leased property.
- Acts of physical intimidation, assault or threats of violence.
- Any act violating federal, state or local law.

Also refer to the BCBSVT Employment Policies posted on the Company’s Intranet site for additional discussion on prohibited activities and behavior.

**Employee Security**
BCBSVT will attempt to protect employees and their property while on the Company premises by providing a secure building. However, employees must exercise reasonable care for their own protection and that of their personal property. To help ensure the safety of all BCBSVT employees, they will be issued photo identification (ID) cards at the time they are hired. All employees must adhere to Company policies and procedures regarding Security.

**Qualification of BCBSVT Employees**
It is BCBSVT’s policy to make reasonable inquiry into the background of all candidates considered for employment, including temporary employees. Such inquiry may include whether the candidate has been convicted of any felony, has been debarred by a federal agency or is otherwise ineligible from participating in a federal health care program, or is a designated national narcotics trafficker or terrorist as defined by the Office of Foreign Asset Control, United States Department of Treasury.

**Misconduct Off the Job**
Employees must avoid conduct off the job that could impair work performance or affect the Company’s reputation or business interests. Moreover, federal and state law may prohibit the Company from employing persons convicted of certain crimes. Consequently, employees must promptly report to the Director, Human Resources or the Compliance Officer: (1) any arrest pending final resolution or conviction for any felony; (2) any arrest pending final resolution or conviction for a crime involving dishonesty, breach of trust, fraud, assault or battery; or (3) any other arrest pending final resolution or conviction which may affect your ability to perform your job or otherwise affect the Company’s business interests, including without limitation any arrest or other sanction that would preclude you from participating in a federal health care program.

**Employment of Government Personnel**
Due to conflict of interest laws and regulations, BCBSVT may not recruit or hire certain current or former federal government employees. The laws and regulations apply not only to individuals BCBSVT hires as employees, but also to individuals retained as consultants. Contact the HR, Audit or Legal departments before discussing employment with a current or former federal government employee.

**Equal Employment Opportunity**
It is the policy of BCBSVT to provide equal employment opportunities to individuals who are qualified to perform job requirements, regardless of their race, color, sexual orientation, religion, ancestry, national origin, sex, age, disability, pregnancy, genetic information or marital status. Equal opportunities shall be provided in all aspects of the employment relationship, including recruitment,
hiring, work assignment, promotion, transfer, termination, wage and salary administration and selection for training. BCBSVT does not practice, tolerate, or condone discrimination based on race, color, sexual orientation, religion, ancestry, national origin, sex, age, disability, pregnancy, genetic information or marital status.

Additionally, BCBSVT communicates its equal opportunity policy to the public to make the community aware that equal opportunities are available on the basis of individual merit. The structure and composition of the BCBSVT equal opportunity process complies with pertinent federal and state laws and regulations.

In conducting business on behalf of BCBSVT you must always be aware of our policies on equal employment opportunities and act consistently with them.

**Discrimination or Harassment**

Discrimination and harassment is a form of inappropriate conduct that undermines the employment relationship. Any form of discrimination or harassment in the workplace is prohibited. It is BCBSVT’s policy not to tolerate discrimination or harassment of individuals based on race, color, religion, gender, national origin, age, disability, pregnancy, genetic information, marital status, veteran status or sexual orientation. BCBSVT will not tolerate sexual advances, actions, comments or any other conduct in the workplace that creates an intimidating, hostile or otherwise offensive atmosphere. BCBSVT has adopted a comprehensive policy on sexual harassment, which you are required to follow.

If you believe that you have been subject to discrimination or harassment of any kind, you must report the situation to your supervisor, Human Resources or the Legal department. You do not need to follow the “chain of command” when reporting discrimination or harassment. All complaints will be investigated. (Refer to the BCBSVT policies and procedures posted on Blues Connection for additional guidance on this topic.)

**Personnel Policies**

Employees are required to read and be familiar with Company Personnel Policies, and should refer to the policies and procedures posted on Blues Connection for additional discussion on work environment issues including prohibited activities and behavior, employee security, discrimination, harassment, hiring and equal opportunity.

**VII. PROTECTING BCBSVT’S ASSETS**

BCBSVT assets must be used only for the benefit of BCBSVT. BCBSVT has a variety of assets that are of great value to our competitiveness and success as a leader in the healthcare benefits industry. They include not only valuable confidential and proprietary information, but also physical assets. Loss, theft or misuse of BCBSVT’s assets jeopardizes our future and protection of them is very important. Every employee is responsible for safeguarding BCBSVT assets and ensuring they are used only for valid business purposes. These assets must not be improperly used to provide personal gain for BCBSVT employees or others. This section supplements, but does not replace, the Plan’s Confidentiality Policy, as amended from time to time. Questions regarding confidentiality should be directed to the Privacy Officer or another member of the Legal department.
Confidential and Proprietary Information – About Our Business
Employees must use or share BCBSVT confidential and proprietary information in accordance with established BCBSVT Confidentiality Policies and Procedures. Confidential and proprietary information includes any information that is generally not disclosed to individuals outside of BCBSVT or any information that could be useful to our competitors. Employees must ensure that BCBSVT confidential and proprietary information is used only in connection with legitimate business purposes and any information gained through your employment must not be inappropriately disclosed at any time. These obligations apply even if your employment ends with BCBSVT. All employees are required to read, understand and remain familiar with the Company’s Confidentiality Policy and sign a Confidentiality Statement and Agreement upon hire.

Examples of BCBSVT confidential and proprietary information include, but are not limited to:
- Financial Data/Projected Earnings
- Information System/Technical Designs
- Sales Figures
- Trade Secrets
- Third Party Contracts/Proposed Contracts
- Marketing Plans/Strategies
- Lists of Suppliers/Customers
- Product Design and Development
- Pricing Policies
- Business Forecasts /Strategies
- Personal Data

In the event that we obtain confidential information about any of our customers, we should protect the confidentiality of that information in the same way that we protect our own confidential information.

Confidential Information – About Our Members
As a BCBSVT employee, you may have access to confidential member information. The Health Insurance Portability and Accountability Act (HIPAA) and the related Health Information Technology for Economic and Clinical Health (“HITECH”) Act prohibit unauthorized disclosure of our members’ protected health information (PHI) and BCBSVT policies and procedures must be followed when dealing with PHI. Additionally, BCBSVT’s members expect us to keep sensitive information confidential just as we would expect the same from companies with which we deal as individuals.

The use of confidential member information for any reason other than serving our customers and members not only violates BCBSVT’s policies, but may also violate other state and federal privacy laws. We must all strive to help ensure that we maintain the trust that our members place in us.

Examples of confidential member information include, but are not limited to:
- Name
- Birth Date
- Health Status
- Medical History
- Address
- Provider/Facility Information
- Telephone Number
Confidential Information – About Our Employees
Confidential BCBSVT employee information must not be revealed to anyone, including other
employees, except when necessary for legitimate business purposes or when legally mandated.
Confidential employee information includes, but is not limited to:

- Wage and Salary Data
- Employee Identification Number
- Employment Agreements
- Financial/Banking Information
- Social Security Number

Requests for Confidential Information – Related to Government Contracts
Much of the information pertaining to a government contract (federal, state and local) is considered
government property. The Freedom of Information Act, the Privacy Act of 1974 (the “Privacy Act”),
and other laws prohibit unauthorized use or disclosure of this information. Employees who receive
requests for confidential information should forward the inquiries to their supervisor, the Legal
department or the Audit and Business Consulting department.

VIII. USE OF BCBSVT’S ASSETS

BCBSVT funds and property are to be used for conducting BCBSVT’s business or for purposes
authorized by management. BCBSVT’s funds and property include but are not limited to:

- Company Time
- Documents, Data and Records
- Cash, Checks and Drafts
- Fax Machines
- Buildings, Furniture and Fixtures
- Vehicles
- Telephones
- Company-issued smart phones and tablets
- Office Supplies
- Copiers
- Computer Hardware and Software
- Email, Internet and Intranet

Employees, contractors, agents, temporaries and consultants are expected to use BCBSVT’s assets in a
professional, productive, ethical and lawful manner consistent with BCBSVT’s policies. Employees
are prohibited from using Company property and information and the employee’s position with the
Company for personal gain or for the gain of an immediate family member. Employees are prohibited
from taking for themselves personally or for their immediate family members opportunities that are
discovered through the use of Company property, information or position and which properly belong to the Company.

The Company shall not directly or indirectly (including through any subsidiary or affiliate) extend or maintain credit in the form of a personal loan to or for any director or officer of the Company, except travel advances.

**Electronic Assets**

We must follow the internal controls that BCSVT has established to safeguard the integrity of its electronic assets. For example, the unauthorized sharing or improper use of passwords, access codes or log-ons is prohibited. Employees may not illegally copy software or use illegal or unauthorized software on the BCBSVT computer network.

BCSVT email, Internet, Intranet, telephone, voice mail system, fax equipment and other electronic means are company assets to be used for legitimate business purposes or for purposes authorized by management. All original content appearing on the BCBSVT Internet and Intranet sites is the property of the Company and should not be copied or used other than for Company business purposes. The use of Company assets for electronic mail and Internet access are addressed in more detail in Personnel Policies D4 and D5.

BCBSVT reserves, and may exercise, the right to review, audit, investigate, intercept, access and disclose any use of the computer, email or Internet systems, including all messages created, received or sent via email for any purpose. Access by management is permitted without the consent of the employee and without giving prior notice to the employee.

BCBSVT’s assets may not be used for any illegal activity, personal gain, soliciting of personal business, selling any products or the advancement of individual views or harassment of any type. Employees are prohibited from sending any communications that include remarks about race, sex, religion, sexual orientation, national origin, age, disability or physical attributes.

Prohibited uses of BCBSVT’s electronic assets include but are not limited to: creating, viewing, receiving, sending or downloading chain email, jokes, sexually explicit material or communications that are inappropriate, inflammatory or derogatory.

**Recording and Reporting Information**

The Company maintains a system of internal controls designed to provide reasonable assurance that transactions are executed in accordance with management’s authorization and are properly recorded. Many of the controls can be found in the Financial Policies and Approvals Manual. The system is characterized by a control-oriented environment that includes written policies and procedures and examinations by a professional staff of internal auditors. All employees are expected to adhere strictly to these policies and procedures.

Accurate and complete records are vital to the corporate decision-making process and to the collection and reporting of our financial, legal and regulatory data. Each employee bears responsibility for record accuracy and timely reporting and may not engage in any activity that purposefully leads to making false or fictitious entries into corporate records or reports. Such records include, but are not limited to: expense accounts, vouchers, invoices, payroll and service records, performance records, financial statements, periodic and current reports, registration statements, proxy materials or other documents.
filed with the State of Vermont Department of Financial Regulation, proposals, budgets and workload reports. False, incomplete or intentionally misleading entries or reports are not permitted and all accounting entries must be made in accordance with applicable laws, rules, regulations and accounting principles. Also, no secret or unrecorded funds shall be established for any reason, nor shall company funds be placed in any personal or non-corporate account.

It is also illegal to make a false claim, statement or certification in an oral or written communication to the government. If you prepare, sign or support federal government certifications, inquiries, vouchers and other reports, you must prepare them timely and accurately. Cost accounting standards must be followed to ensure costs are allocated properly to government contracts. Further, reports, which are submitted to government agencies, must provide full, fair, accurate, timely and understandable disclosure.

**Reporting, Accounting and Internal Control Irregularities**

If you have a concern related to questionable accounting or internal control irregularities, you should call the Ethics/Fraud Hot Line, contact the Audit and Business Consulting department or report your concern using the link on the Compliance page located on Blues Connection.

**Record Retention and Destruction**

Destruction or disposal of company records is not discretionary. Records relevant to pending litigation, a government or internal investigation, or audit may not be altered or destroyed. Destruction, alteration or falsification of records in connection with any federal government matter or bankruptcy to avoid disclosure in a legal proceeding, government investigation or audit may constitute a criminal offense. Each employee is required to know and comply with the BCBSVT Records Management Policy, including the Records Retention and Destruction Schedule.

**Media Relations and Communications**

Employees are required to adhere to BCBSVT’s Media Relations Policy to ensure that all communications between BCBSVT and the news media are accurate and consistent. If the media contacts you with a request for information about BCBSVT, you must immediately forward the request to the Communications department or the Vice President of External Affairs. All unauthorized communications between employees and the media are prohibited.

**IX. POLITICAL ACTIVITY AND CONTRIBUTIONS**

Federal and state laws restrict the use of corporate funds and assets in connection with elections. Consequently, no political contribution to any candidate, office holder or political organization may be made for or on behalf of BCBSVT by an employee. The term political contribution includes payments, services, purchase of tickets or furnishing of supplies. This means that employees may not use any BCBSVT property, facilities or time of any employee for any political activity unless approval has been obtained in accordance with established corporate procedures. Examples of prohibited conduct include:

- Using the time of any employee(s) to assist with personal political fund-raising activities.
- Using the telephone to make politically motivated solicitations.
- Allowing any candidate to use facilities, such as meeting rooms, for political purposes.
• Loaning any property such as telephones, copying machines or other resources for use in connection with a political campaign.

BCBSVT’s executive management and employees in the External Affairs Division may, to the extent permissible by law, actively participate in political activity to fulfill their responsibilities as advocates on behalf of BCBSVT within the political process. In performing their duties, however, employees may not use BCBSVT resources to support, in their personal capacity, any candidate, office holder or political organization.

Remember the following guidelines when engaging in individual volunteer political fund-raising or other political activity:

• The activity is personal and must not be conducted on company time.
• Do not ask any BCBSVT employee to assist.
• Use your own personal (not BCBSVT’s) stationery and postage or the campaign’s stationery and postage. Do not use a business return address or business telephone number.
• Type your own letters and political communications from home or ask the campaign to do it for you.
• Any RSVP must be returned to the campaign, to your home address or telephone number, or to a post office box.
• Do not collect political contributions on BCBSVT property. Have them sent directly to the campaign or brought to the fund-raising event.

Certain political activity, however, is not prohibited. BCBSVT encourages your attendance for your own personal interest at candidate forums and appearances by public officials and other programs that are sponsored by or endorsed by BCBSVT for the education and benefit of all employees.

The political process is highly regulated. Any employee who has a question about what is or is not proper may contact the Legal department or the Compliance Officer before agreeing to do anything that could be construed as involving BCBSVT in any political activity at the federal, state or local levels.

**X. ONLINE ACTIVITIES**

The use of social media, such as Web logs or “blogs,” peer-to-peer networks, wikis and online communities, can be a great way for employees to share expertise and perspectives with family, friends, colleagues, and customers. However, it is important to remember that, under certain circumstance, your online content might reflect on BCBSVT as well. Before posting information online, it is important for employees to understand the risk and reach involved. If you identify your affiliation with BCBSVT or discuss matters related to BCBSVT on a public Web site forum or blog, you may be perceived as an authorized spokesperson for the company.

Employees should exercise good judgment when blogging or posting on the Internet. It should be clear that any views you express are your own and not necessarily those of the company. If you identify yourself as in any way affiliated with BCBSVT or if you are known to be so affiliated, you must use a prominent disclaimer that your views do not necessarily represent the views of BCBSVT.
Speaking for the company without authorization is prohibited. Employees must not post any financial, confidential, proprietary or sensitive information about BCBSVT, our employees, our customers, our members or our vendors on any website or other social medium without proper corporate authorization.

Employees should not use BCBSVT email addresses to register with social networking sites, blogs or other sites of a personal nature. Any blogging or online posting that violates any BCBSVT policy, even when done with personal resources is prohibited.

**XI. LAWS AND REGULATIONS**

BCBSVT is committed to conducting business in accordance with all applicable federal, state and local laws, regulations and regulatory orders. This commitment requires all employees to be bound by these Standards of Business Conduct.

All employees must adhere to applicable federal, state and local laws, regulations and regulatory orders, in addition to BCBSVT policies and procedures. It is therefore important for employees to know the laws, regulations and regulatory orders that apply to BCBSVT business activities and to comply with them. Some of those laws and their associated compliance requirements are described elsewhere in these Standards. To the extent that you need information about, or a better understanding of, the legal requirements that relate to your job, you should contact your supervisor, the Compliance Officer (either directly or using the Blues Connection Compliance page link) or the Legal department.

Failure to comply with applicable laws, regulations and regulatory orders could result in regulatory and legal sanctions against BCBSVT and its employees. Penalties can include monetary fines, exclusion from participating in federal programs, restrictions on competitive activity and even imprisonment for employees who have responsibilities for these matters. Employees who violate any legal standards in the performance of their duties as a Company employee may be subject to disciplinary action, as described in the Company’s Compliance Program and its Employee Handbook.

Any employee who has information indicating that the Company has violated any law, regulation, regulatory order or other legal requirement should report that information to the Compliance Officer (either directly or using the Blues Connection Compliance page link) or a member of the Legal department. Employees may also report suspected legal violations using the Company’s Ethics/Fraud Hotline. Employees who, in good faith, report suspected legal violations will be protected from retaliation. Company attorneys should report evidence of a material violation of law or these Standards to the General Counsel or the Chief Executive Officer of the Company. If the General Counsel or CEO does not respond appropriately, the Company attorney should report the evidence to the Board of Directors or to the Board’s Audit Committee.

**XII. IMPLEMENTATION**

**Annual Training**
All full-time, part-time and temporary employees must complete training on these Standards of Business Conduct on their first day of employment and annually thereafter. During this training, attendees will be advised of the important aspects of the Standards of Business Conduct, the laws that support it, and any changes that have been made since the prior training.
Review of the Standards of Business Conduct
The Standards of Business Conduct shall be reviewed at least annually by the Compliance Officer, the General Counsel and the executive staff, and updated as necessary to reflect current business practices as well as legal and regulatory requirements and Blue Cross and Blue Shield Association licensing mandates. Material changes will be reported to the Board of Directors.