TEXAS INDEPENDENCE HEALTH PLAN
CODE OF CONDUCT
& BUSINESS ETHICS

Board of Directors Approved: June 19, 2026

2026

A Message from Our CEO

As part of our ongoing efforts to improve the quality and value of health services to our Members, Texas Independence Health Plan, Inc. (TIHP) has implemented ongoing review of the quality of care and services delivered by TIHP employees and through our network of providers. As part of this, we strive to ensure an ethical approach to the management and delivery of specified health services. We must demonstrate consistently that we act with absolute integrity in the way we do our work.

This Code of Conduct & Business Ethics (Code of Conduct) provides guidance to ensure that our work is done in an ethical and legal manner. It emphasizes a dedication to fostering an environment of honest and responsible behavior. It contains resources to help resolve any questions about appropriate conduct in the workplace. Please review it thoroughly. Your adherence to its spirit, as well as its specific provisions, is critical to our future.

If you have questions regarding this Code of Conduct or come across any situation that you believe violates provisions of this Code of Conduct, you should immediately consult your supervisor, another member of the TIHP management, or Tammy Gifford, Compliance Officer at (361) 676-8119. You may also call the Compliance Hotline anonymously at (888) 418-1566, 24 hours a day, 7 days a week. You have our personal assurance there will be no retribution for asking questions or raising concerns about the Code of Conduct or for reporting possible improper conduct.

We are committed to the ideals reflected in this Code of Conduct. We are equally committed to assuring that our actions consistently reflect our words. To achieve this, we expect all of our colleagues' actions to reflect the high standards set forth in this Code of Conduct. However, no written Code of Conduct can substitute for our own internal sense of fairness, honesty, and integrity. If you run into a situation or are considering a course of action which may be technically within the guidelines of this Code of Conduct but are concerned that the contemplated action simply "does not feel right," please discuss the situation with any of the resources listed in this document.

In closing, we trust you as a valuable member of our team. We ask you to assist us in supporting the values and principles that are critical to the TIHP's continued success.

Sincerely,

Devan Dekowski
Chief Executive Officer

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PURPOSE OF OUR CODE OF CONDUCT & BUSINESS ETHICS

Our mission is to connect our membership, through a fair, ethical and compliant environment, with coordinated healthcare delivered by professionals in the most appropriate setting possible.

The TIHP Code of Conduct has been developed to implement our philosophy of creating and maintaining an ethical environment while maintaining compliance with all applicable laws and regulatory mandates. Our Code of Conduct provides guidance to all employees and assists us in carrying out our daily activities within appropriate ethical and legal standards. These obligations apply to our relationships with members, contracted physicians and facilities, subcontractors, vendors, consultants and one another.

The Code of Conduct is a critical component of our overall Compliance Program. We have developed the Code of Conduct to ensure that we meet our ethical standards and comply with applicable laws, regulations and contractual obligations.

The Code of Conduct is intended to achieve three key objectives:

- To communicate facts about how we work for the benefit of our members.
- To make it clear that we are responsive to the concerns of members, physicians and other healthcare professionals.
- To provide a platform to demonstrate our commitment to high levels of accountability.

It is not possible to anticipate every decision or action that you may face or consider. Whenever you have any doubt about the right ethical or legal choice to make, fully disclose the circumstances, and seek guidance from a responsible manager or supervisor, the Compliance Officer, or the Chief Executive Officer (CEO) about the right thing to do.

It is TIHP's policy to encourage the communication of bona fide concerns relating to the lawful and ethical conduct of business and to protect those who communicate these concerns from retaliation for such reporting. Retaliation includes any activity that would dissuade an employee from reporting a concern.

No retaliation for good faith reporting will be tolerated; punishment for retaliation includes sanctions up to and including termination.

Confidential and anonymous mechanisms for reporting concerns are available and are described in this Code of Conduct. Anonymous reporting does not satisfy a duty to disclose your potential involvement in a conflict of interest or unethical or illegal conduct.

We expect all employees, officers and directors to exercise good judgment and the highest ethical standards in their activities on behalf of TIHP as well as in their private activities. Failure to follow this Code of Conduct, as well as to comply with federal, state, local and foreign laws, rules, and regulations, and TIHP's corporate policies and procedures may result in termination of employment or termination of service to the Board of Directors.

ROLES & RESPONSIBILITIES

Every employee, Board Member, independent contractor, consultant, agent, temporary employee, or another business associate must act honestly, ethically and in full accordance with federal and state laws and regulations. Our members trust us to do business with honesty and integrity. To keep the trust that our members place in us, your actions must always be guided by good judgement and strong ethics, and you must avoid even the appearance of improper behavior. No one is permitted to commit an illegal or unethical act or, ask others to do so for any reason.

While all TIHP employees are obligated to follow this Code of Conduct, we expect our leaders to set the example, to be in every respect a model for others in the organization. Leaders must:

- Help create a culture that promotes the highest standards of ethics and compliance
- Create an environment where your team is comfortable raising concerns
- Never value or encourage achievement of business results at the expense of ethical conduct or compliance with the Code
- Monitor compliance and promptly report any violation or suspected violation of the Code
- Consider conduct in relation to the Code when evaluating performance
- Ensure timely completion of mandatory trainings
- Take ownership of compliance obligations
- Identify, prioritize, and manage risks
- Oversee vendor compliance with the Code of Conduct for First Tier, Downstream and Related Entities (FDRs)

All employees are expected to read and make a commitment to follow the Code. Every employee must:

- Follow and promote the principles in the Code
- Certify annually that you have read, understand, and will fully comply with the Code
- Comply with the spirit and the letter of all applicable state and federal laws, rules, and regulations
- Complete all mandatory training timely
- Seek advice if you have any ethical or compliance concerns
- Report any violations or, suspected violations of the Code, any law or regulation, or company policy
- Exercise good judgement and avoid even the appearance of improper behavior
- Read, understand, and comply with all company policies, including those that apply to your department
- Identify and properly manage compliance risks
- Treat others with respect

FUNDAMENTAL COMMITMENT TO STAKEHOLDERS

We affirm the following commitments to TIHP stakeholders:

To our Members: Quality, cost effective, and appropriate health care through a network of credentialed health care providers, customer service units to assist members and a complaint, grievance and appeal process for timely problem resolution.

To our employees: A **w**ork setting which treats everyone with fairness, dignity, and respect. It affords them an opportunity to develop professionally and to work in a team environment in which all ideas are considered.

To our affiliated providers: Demonstrate our commitment to contractual obligations and reflects our shared concern for delivering quality health services and bringing efficiency and cost-effectiveness to healthcare.

To our regulators: An environment in which compliance with rules, regulations, and sound business practices is woven into the corporate culture. We accept the responsibility to aggressively self-govern and monitor adherence to the requirements of law and to our Code of Conduct.

To the communities we serve: Understanding the particular needs and providing these communities quality, cost-effective health services. We realize as an organization that we have a responsibility to help those in need. We proudly support charitable contributions and events in the communities we serve in an effort to promote good will and further good causes.

To our contracted business partners: Fair competition and the sense of responsibility required in a sound business relationship. We are dedicated to dealing with our business partners in a way that demonstrates our commitment to contractual obligations and reflects our shared concern for delivering quality services and bringing efficiency and cost-effectiveness to healthcare.

RELATIONSHP WITH OUR MEMBERS

Member Information

We believe information is central to maintaining and improving one's health; accordingly, we have pledged to ensure that each member has:

- The right to timely and effective right of appeals and grievances.
- The right to health maintenance literature and material about TIHP and its services, practitioners and providers for his or her use, written in a manner which truthfully and accurately provides relevant information so that it is easily understood by an average layperson.
- The right to be treated with respect and recognition of his or her dignity and right to privacy.
- The right to obtain from his or her plan physician, unless it is not medically advisable, current information concerning his or her diagnosis, treatment and prognosis in terms he or she can reasonably be expected to understand.
- The right to be given the name, professional status, and function of any personnel providing health services to him or her.
- The right to give his or her informed consent to the health care practitioner before the start of any procedure or treatment.
- The right to a candid discussion of appropriate or medically necessary treatment options for his or her condition regardless of cost or benefit coverage.
- The right to participate with practitioners in decision making regarding his or her health care.

- The right to be advised if a health care facility or any of the providers participating in his or her care propose to engage in or perform human experimentation or research affecting his or her care or treatment. A legally responsible party on his or her behalf may, at any time, refuse to participate in or to continue in any experimentation or research program for which he or she has previously given an informed consent.
- The right to refuse any drugs, treatment or other procedure offered by the provider to the extent permitted by law and to be informed by a physician of the medical consequence of the member's refusal of any drugs, treatment or procedure.
- The right to have all records pertaining to his or her medical care treated as confidential unless disclosure is necessary to interpret the application of his or her contract to his or her care or unless disclosure is otherwise provided for by law.
- The right to all information contained in his or her medical record unless access is specifically restricted by the attending physician for medical reasons.
- When emergency services are necessary, a member has the right to obtain such services without unnecessary delay.
- The right to be informed of these rights.

QUALITY IMPROVEMENT

Quality Assessment and Improvement Programs
We are committed to maintaining physician-directed quality assessment and improvement programs that monitor targeted areas to detect whether patterns of underservice or over service exist; and, if so, to implement appropriate actions to promote access to the right care at the right time in the right setting.

All participating physicians are credentialed initially and are periodically re-credentialed.

Practice Guidelines
We involve participating physicians in the development and recognition of those medical practices that have proven most beneficial to patients/ members.

Medical Management
Medical management includes precertification, concurrent review and discharge planning. We rely on a coordinated team working together in determining and authorizing the effectiveness and appropriateness of recommended patient/member care.

We are committed to having a review process, directed by experienced clinicians, available for cases in which a participating physician believes that a medical management determination does not adequately account for the unique characteristics of a particular member, based on relevant medical evidence offered by the participating physician for review.

Prescription Drug Formularies
We pledge to maintain physician involvement in the management and review of lists of covered prescriptions.

REGULATORY COMPLIANCE

TIHP provides various services pursuant to appropriate Federal, state, and local laws and regulations. Such laws and regulations may include subjects such as licenses, accreditation, and access to treatment, continuity of care, access to records, confidentiality, members' rights, terminal care decision-making, credentialing and clinical privileges, and Medicare regulations. The organization is subject to numerous other laws in addition to these healthcare regulations. We will comply with all applicable laws and regulations. All employees, Board members, practitioners, and contracted service providers must be knowledgeable about and ensure compliance with all laws and regulations that govern our business. We have developed policies and procedures that address many laws, rules, and requirements. It is impractical to develop policies and procedures that encompass the full body of applicable law, standards and conditions and regulations. However, all laws, standards, conditions, and regulations not covered in company policies and procedures must be followed.

We will be forthright in dealing with any regulatory or contractual inquiries. Employees who fail to cooperate in an internal or external investigation; give false, misleading, or inaccurate information or, withhold information are subject to disciplinary action, up to and including termination.

You are required to follow the spirit and the letter of the laws and regulations to which we are subject, both as individuals and as a company. While the listing below is not inclusive of all such laws and regulations, it provides an overview of some important requirements that apply to our business.

- ***False Claims Act:*** Aimed at preventing fraud against the government, including fraudulent billing and fraudulent submission of claims or statements to any Federal healthcare program. FCA applies when a false claim for reimbursement is submitted for payment to a government program and the provider knew or should have known that the information or certification of the claim was false.
- ***Anti-Kickback Statute:*** Provides criminal penalties for individuals or entities that knowingly and willfully offer, pay, solicit, or receive bribes, kickbacks, or other remuneration (anything of value) to induce business reimbursed by Medicare, Medicaid, and other federal health care programs.
- ***Stark Law (Physician Self-Referral Law):*** Prohibits a physician from referring Medicare patients for designated health services to an entity with which the physician (or immediate family member) has a financial relationship, unless an exception applies and, prohibits the designated health services entity from submitting claims to Medicare for those services resulting from a prohibited referral.
- ***Exclusion Law:*** Individuals or entities convicted for a program related crime, a criminal offense relating to patient abuse or neglect, a felony offense related to health care fraud, or a felony offense related to controlled substances must be excluded from Medicare and Medicaid for a minimum of 5 years. If there is one prior conviction, the exclusion will be for 10 years, and the exclusion will be permanent where there are two prior convictions. Fraud, Waste & Abuse (FWA)
- ***Civil Monetary Penalties (CMP) Law:*** CMPs may be imposed by the Office of Inspector General (OIG) for a variety of conduct, and different amounts of penalties and assessments may be imposed on the type of violation at issues. Penalties range from up to $15,000 to

$70,000 per violation. Violators are also subject to 3x the amount of remuneration offered, paid solicited or received.

- ***Health Insurance Portability and Accountability Act (HIPAA):*** Protects the privacy and security of health care information and "mandates electronic and physical" safeguards "to prevent unauthorized access to protected health care information.
- ***Health Information Technology for Economic and Clinical Health Act (HITECH):*** Expanded the reach of HIPAA by extending certain obligations to business associates and imposed a nationwide security breach notification law.
- ***Code of Federal Regulations 42 CFR Parts 422 and 423:*** Federal regulations that govern the Medicare Advantage Program (Medicare Part C) and the Prescription Drug Benefit (Medicare Part D). The Center for Medicare and Medicaid Services (CMS) is the federal agency that administers/oversees the Part C and Part D Programs. CMS maintains online manuals that provide guidance based on Medicare statutes and regulations and, maintains a web-enabled Health Plan Management System (HPMS) where health and drug plans, plan consultants, third-party vendors and pharmaceutical manufacturers can work with CMS to fulfill the plan enrollment and compliance requirements of the Medicare Advantage (MA) and Prescription Drug Programs.
- ***Title VII of the Civil Rights Act of 1964:*** Prohibits discrimination against race, ethnicity, national origin, religion, and gender.
- ***Age Discrimination in Employment Act:*** Prohibits discrimination based on age.
- ***Americans with Disabilities Act:*** Prohibits discrimination based on disability.

It can take courage to speak up when you see something that is wrong. Speaking up allows us to investigate your concern and take appropriate disciplinary action against whoever has violated the Code, Company policy or a legal requirement. This includes immediately speaking up about any fraud, waste or abusive practices or criminal conduct committed by our providers, vendors, members or other third parties. Reporting violations reinforces an ethical atmosphere and can positively influence the actions of your coworkers. If you do not speak up, there may be severe consequences for the company, our members, and the communities we serve. You must immediately report violations or suspected violations of law, regulation, the Code, or company policies. Violations or suspected violations can be reported to your immediate supervisor, Human Resources or the Compliance Officer, Tammy Gifford.

Your role in speaking up:

- Speak up when you see or know of a violation of the Code, a policy or legal requirement
- Cooperate in any investigation
- Never retaliate against anyone who speaks up and reports a violation in good faith
- Never give intentionally false or misleading information during an investigation
- Immediately report any suspected fraud, abusive practice, or dishonest action to Human Resources or to the Compliance Officer

The Compliance Hotline 1-888-418-1566 is available 24 hours a day/7 days per week to our employees, Board Members, members, providers, and contracted vendors. The hotline allows for anonymous reporting of potential non-compliance and FWA matters.

We promise to keep reports of violations confidential, to the extent possible. Information about

investigations is only shared on a need-to-know basis. Results of investigations may be shared with law enforcement or regulatory authorities in certain instances.

SAFEGURADING PRIVATE INFORMATION

Our members place their trust in us to always protect their Private Information. We are committed to protecting the confidential, proprietary, and private information that our members, employees and business partners share with us. Various state and federal laws and regulations, including the Health Insurance Portability and Accountability Act (HIPAA), govern the use and disclosure of our members' Private Information. It is your responsibility to safeguard Private Information by properly protecting our assets and maintaining accurate business records. You are not allowed to access, use, or disclose Private Information unless you have a legitimate business need to do so and are performing an appropriate business function for the company. This means that you should not discuss sensitive business matters with anyone who does not have a legitimate business need to know the information. You are not permitted to use personal assets (including email and text messages) to communicate Private Information.

Private Information includes both financial and health information about our members as well as Protected Health Information (PHI). PHI is individually identifiable information concerning the provision of, or payment for health care to our members. Private Information includes but is not limited to:

- Protected Health Information (PHI) – medical personal records
- electronic Protected Health Information (ePHI) – electronic medical and personal records
- Personally Identifiable Information (PII) – Social security numbers, addresses, telephone, credit card and bank account numbers
- Company Proprietary Data – payroll, budgets, strategies, employee information

Your Role in Safeguarding Private Information includes:

- Secure all electronic and paper files against unauthorized use or disclosure
- When emailing Private Information, be careful that you are sending it to the correct recipients
- Use the encryption function when emailing information outside of the company
- Never use or disclose more than the Minimum Necessary information in violation of HIPAA
- Never share your passwords or use anyone else's passwords
- Ensure that the proper agreements are in place before sharing Private Information with a third party
- When discussing confidential information, take note of your surroundings to ensure you cannot be overheard

SAFEGUARDING COMPANY INFORMATION & ASSETS

Confidential information about our organization's strategies and operations is a valuable asset. Although you may use confidential information to perform your job, it must not be shared with others outside of the Company or your department unless the individuals have a legitimate need to know this information and have agreed to maintain the confidentiality of the information. Each of us is responsible for protecting the company's proprietary information and assets from theft, waste, and

misuse. Company assets should be used only for the benefit of the company and for valid business purposes. Failure to safeguard company assets and misuse of company assets may result in disciplinary action, up to and including termination. If you misuse Company assets, you may have your access to those assets denied or restricted and you may be subject to disciplinary action.

All communications systems (e.g., e-mails, intranet, internet, voicemail, etc.) are the property of the company and must be primarily used for business purposes. Limited reasonable personal use of company communications systems is permitted; however, you should assume that these communications are not private. Member or confidential information should not be made available on-line or sent through the Internet until such time that its confidentiality can be assured. We reserve the right to periodically access, monitor, and disclose the contents of the intranet, e- mail, and voice mail messages. Employees may not use internal communication channels or access to the Internet at work to post, store, transmit, download, or distribute any threatening; knowingly, recklessly, or maliciously false; or obscene materials including anything constituting or encouraging a criminal offense, giving rise to civil liability, or otherwise violating any laws. Additionally, these channels of communication may not be used to send chain letters, personal broadcast messages, or copy-righted documents that are not authorized for reproduction. Employees who abuse our communications systems or use them excessively for non-business purposes may lose these privileges and be subject to disciplinary action up to and including termination.

Employees role in protecting company assets includes:

- Limit your personal use of company laptops, printers, and internet access
- Never use company resources, including time, property, or assets for personal or financial gain unrelated to the company's business or your role within the company
- Immediately report any loss, misuse, damage, or suspected theft of company assets to your supervisor or Information Technology (IT)
- Always lock your laptop when you leave your desk
- While in the office, always wear your ID badge
- Never misuse company assets for improper purposes. Improper purposes include communicating in an obscene, hateful, defamatory, or otherwise objectionable manner.
- Never conduct company business on your personal email account

Supervisors and Managers role in protecting company assets includes:

- Ensure that your team understands the importance of asset management efforts
- Properly verify assets
- Ensure contractors, consultants and other non-employee workforce members understand their responsibilities for protecting company-issued assets

ACCURACY, RETENTION & DISPOSAL OF DOCUMENTS AND RECORDS

Our members, providers, auditors, regulators and other third parties rely on us to maintain accurate books and records. Without accurate books and records, we will not be able to conduct our business in a sound and efficient manner and, will not be able to provide peace of mind to those who depend on us. We all are responsible for the integrity and accuracy of our company's documents and records.

Our financial records, reports and transactions must conform to generally accepted accounting principles. No undisclosed or unrecorded funds or assets may be established. We 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 to maintain accountability of the organization's assets.

We properly maintain all records, whether paper, electronic or in any other media, and destroy those records properly and in accordance with all legal requirements and our Records Management Policy. Company records include those business records, such as emails and text messages made on your personal device. Company business must be conducted on the company's email and no company business is to be sent to or from a personal email account. However, if records, including emails or text messages, are on an employee's personal device, they are subject to the Records Management Policy and must be retained until the retention expiration date. Legal Holds supersede the Records Retention Schedule. If the Legal Department issues a Legal Hold, any relevant records must not be destroyed until the Legal Hold is lifted. Destroying or altering records prior to that time could result in a criminal offense and may have a negative effect on the company in pending litigation or a governmental investigation. The Company reserves the right to demand access to personal email accounts or text messages on personal devices, if there is a reason to believe that personal accounts have been used to conduct company business.

Employees role in ensuring accurate records are accurately maintained include:

- Follow all legal requirements, Company policies, and the Code when accessing, creating, and managing records
- Never create or submit false or misleading reports, records, or entries, including work time and absence
- Never omit, conceal, alter, or destroy relevant information
- Comply with Legal Holds when litigation or a government investigation, examination or audit is threatened or pending.
- Follow the retention requirements in the Records Management Policy.
- Properly dispose of all Private Information

Supervisors and Managers role in ensuring accurate records are accurately maintained include building and maintaining a system of internal controls that:

- Prevents unauthorized, unrecorded, or inaccurately recorded transactions
- Detects unauthorized, unrecorded, or inaccurately recorded transactions
- Results in preparation of financial statements based on generally accepted accounting principles

If you are uncertain about the proper retention period for any document or, possible restrictions on destroying a document or record, please defer to the Records Management Policy or, contact your supervisor or the Legal Department. You may also contact Compliance Officer, Tammy Gifford via the Compliance Hotline 1-888-418-1566.

WORKPLACE CONDUCT AND EMPLOYMENT PRACTICES

A conflict of interest may occur if your outside activities or personal interests influence your ability to make objective decisions in the course of your job responsibilities. A conflict of interest may also exist if the demands of any outside activities hinder or distract you from the performance of your job or cause you to use company resources for other than official purposes. It is your obligation to ensure that you remain free of conflicts of interest in the performance of your responsibilities at TIHP. If you have any question about whether an outside activity might constitute a conflict of interest, you must obtain the approval of your supervisor before pursuing the activity.

Examples of conflict of interest may include, but are not limited to, when an employee, officer or director, or member of his or her family:

- Solicits or accepts, directly or indirectly, from customers, suppliers or others dealing with TIHP, any kind of gift or other personal, unearned benefits because of his or her position in the organization (other than non- monetary items of nominal intrinsic value)
- Has a financial interest in the organization's competitors, customers, suppliers or others dealing with TIHP (excluding interests that are less than 1% of the outstanding securities of a publicly- traded corporation or equivalent percentage of ownership interests in an unincorporated business)
- Has a consulting, managerial or employment relationship in any capacity with a competitor, customer, supplier or others dealing with TIHP.
- Acquires, directly or indirectly, real property, leaseholds, patents or other property or rights in which TIHP has, or the employee, officer or directors knows or has reason to believe at the time of acquisition that TIHP is likely to have an interest.

Subject to limitations imposed by this Code of Conduct, you are free to engage in outside activities that do not interfere with the performance of your responsibilities or otherwise conflict with the company's interests. Outside business activities can easily create conflicts of interest or diminish productivity and effectiveness. Though we encourage professional activities and community involvement, special care must be taken not to compromise duties owed to TIHP.

The appearance of influence is an issue as well as actual influence. Appropriate measures should be taken to address any appearance of a conflict. You are expected to disclose to the Compliance Officer any non-Company activity for which compensation is received from any source related to TIHP's business activities. You must notify TIHP's Compliance Officer, Tammy Gifford if you or a family member are:

- Asked to serve on the Board of Directors or similar body of a for-profit enterprise or government agency;
- Seeking any election or appointment to public office in order to clarify our position in the event the candidacy is successful, or the appointment is made;
- Engaging in activities that may be of a controversial or sensitive nature. Employees, directors and officers and/or members of their families may not engage in any of the following:

- Soliciting contributions or other support from fellow employees or distribute non-work-related material to fellow employees, during working hours or in areas where work is being performed (except as allowed by applicable laws, or a fund-raising or similar effort on behalf of a charity); even in these allowable activities, no one should ever be made to feel compelled to participate.
- Requesting, accepting or offering any form of "under-the-table" payment, "kickback", bribe, rebate or other improper or questionable payment or gratuity in connection with any corporate expenditure or sale of goods or services made or collected on behalf of TIHP.
- Accepting loans or guarantees of obligations (except from banks of other entities that provide such services in the normal course and at arms' length) from any individual, organization or entity doing or seeking to do business with TIHP.
- Using his or her TIHP position or title or any company equipment, supplies or facilities in connection with outside activities.
- Doing anything that might infer sponsorship or support by TIHP of such activity, unless such use has been approved in writing by the Compliance Officer, or other appropriate internal authority.

If approached with any offer noted above or in any instance where the appearance of a conflict of interest exists, you must contact a responsible supervisor or Tammy Gifford, Compliance Officer or any other appropriate internal authority immediately. Finally, for any real or perceived conflict of interest involving a director of the Company, the matter should be referred to the Compliance Officer for interpretation and discussion with the Board of Directors or with the Committee to which such responsibility has been delegated for resolution.

Your role in avoiding conflicts of interest include:

- Always act in the best interest of the company
- Advise Human Resources or the Compliance Officer immediately of any potential conflicts of interest that arise during the year
- Never take part in any activity that competes with the company in any way
- Never accept payments in return for referring members to practitioners for treatment
- Never employ relatives in a supervisory or subordinate relationship
- Never use your position with the company for your personal benefit

We are committed to providing a safe and healthy workplace where individuals are treated with courtesy, fairness, and respect. We embrace and value differences of culture, education, experience, physical ability, and perspective in our workplace. Any form of discrimination or harassment, including sexual harassment, is strictly prohibited. This includes, but is not limited to:

- Degrading or humiliating jokes
- Racial slurs or intimidation
- Abusive language
- Physical abuse
- Sexual advances or intimidation
- Sexual favors in conjunction with employment decisions
- Stalking

- Cyber-Bullying

Employees are prohibited from possessing firearms, other weapons, explosive devices, or other dangerous materials on Company premises. Employees who observe or experience any form of discrimination, harassment or violence should report the incident to their immediate supervisor, Human Resources, the Compliance Officer or anonymously via the Compliance Hotline at 1-888-418-1566.

We are committed to conducting our operations in compliance with applicable health and safety laws and standards. You must obey safety rules and regulations. You should immediately report any unsafe conditions or activities to management. Furthermore, if you are injured on the job, you must immediately report the incident to your immediate supervisor or Human Resources. We are committed to an alcohol and drug-free work environment. You are prohibited from possessing, selling or being under the influence of any illegal substance while on company property or while conducting company business. It is recognized that individuals may be taking prescription drugs, which could impair judgment or other skills required in job performance. If you have questions about the effect of such medication on your performance, consult with your supervisor.

Employees role in maintaining a safe work environment include:

- Never take actions that are intended to intimidate or harm someone.
- Avoid actions that could be considered harassment, even if meant as a joke.
- If you witness behavior that you believe is harassment, report it.
- You can report discrimination or harassment to Human Resources or your immediate supervisor.
- You can report any unsafe working conditions or activities to your immediate supervisor or Human Resources

Supervisors and Managers role in maintaining a safe work environment include:

- Always report alleged harassing, discriminatory or retaliatory conduct that is reported to you or observed by you. The report must be made to your manager, or Director and Human Resources.

Our employees provide us with a wide complement of talents that contribute greatly to our success. We are committed to providing an equal opportunity work environment where everyone is treated with fairness, dignity, and respect. We will comply with all laws, regulations, and policies related to nondiscrimination in all of our personnel actions. Such actions include hiring, staff reductions, transfers, terminations, evaluations, recruiting, compensation, corrective action, discipline, and promotions.

No one shall discriminate against any individual with a disability with respect to any offer, or term or condition, of employment. We will make reasonable accommodations to the known physical and mental limitations of otherwise qualified individuals with disabilities.

Employees and individuals retained as independent contractors in positions which require professional licenses, certifications, or other credentials are responsible for maintaining the current status of their credentials and shall comply at all times with Federal and state requirements applicable to their respective disciplines. To assure compliance, TIHP may require evidence of the

individual having a current license or credential status. We will not allow any employee or independent contractor to work without valid, current licenses or credentials.

We must manage our subcontractor and supplier relationships in a fair and reasonable manner, consistent with all applicable laws and good business practices. We promote competitive procurement to the maximum extent practicable. Our selection of subcontractors, suppliers, and vendors will be made on the basis of objective criteria including quality, technical excellence, price, and delivery, adherence to schedules, service, and maintenance of adequate sources of supply. Our purchasing decisions will be made on the supplier's ability to meet our needs, and not on personal relationships and friendships. We will always employ the highest ethical standards in business practices in source selection, negotiation, determination of contract awards, and the administration of all purchasing activities. We will not communicate to third-party entities confidential information given to us by our suppliers unless directed in writing to do so by the supplier. We will not disclose contract pricing and information to any outside parties.

MARKETING PRACTICES

We may use marketing and advertising activities to educate the public, provide information to the community, increase awareness of our services, and to recruit employees. We will present only truthful, fully informative, and non-deceptive information in these materials and announcements. These activities must meet the requirements established by the Centers for Medicare & Medicaid Services' Medicare Managed Care Manual, Medicare Communications and Marketing Guidelines.

It is not unusual to obtain information about other organizations, including our competitors, through legal and ethical means such as public documents, public presentations, journal, and magazine articles, and other published and spoken information. However, it is not acceptable for you to obtain proprietary or confidential information about a competitor through illegal means. It is also not acceptable to seek proprietary or confidential information when doing so would require anyone to violate a contractual agreement, such as a confidentiality agreement with a prior employer.

Antitrust laws are designed to create a level playing field in the marketplace and to promote fair competition. Discussing TIHP business with a competitor could violate these laws, such as how our prices are set or disclosing the terms of business partner relationships. Our competitors are other health insurers in markets where we operate.

At trade association meetings, be alert to potential situations where it may not be appropriate for you to participate in discussions regarding prohibited subjects with our competitors. Prohibited subjects include any aspect of pricing, our services in the market, key factors such as labor costs, and marketing plans. If a competitor raises a prohibited subject, end the conversation immediately. Document your refusal to participate in the conversation by requesting that your objection be reflected in the meeting minutes and notify the Compliance Officer of the incident.

In general, avoid discussing sensitive topics with competitors or suppliers, unless you are proceeding with the approval of senior management. You must also not provide any information in response to oral or written inquiry concerning an antitrust matter without first consulting the Compliance Officer.

BUSINESS COURTESIES

Nothing in this part of the Code of Conduct should be considered in any way as an encouragement to make, solicit, or receive any type of entertainment or gift. For clarity purposes, please note that these limitations govern activities with those outside of TIHP. This section does not pertain to actions between the organization and its employees nor actions among employees themselves.

We recognize that there will be times when you may wish to accept from a current or potential business associate an invitation to attend a social event in order to further develop your business relationship. The cost associated with such an event must be reasonable and appropriate and it must be made clear to the business associate that attendance does not commit TIHP to do business with that company.

Sometimes a business associate will extend training and educational opportunities that include travel and overnight accommodations to you at no cost to you or the company. Similarly, there are some circumstances where you are invited to an event at a vendor's expense to receive information about new products or services. Prior to accepting any such invitation, you must receive approval to do so consistent with the corporate policy on this subject.

As a TIHP employee, you may accept gifts of nominal value from any individual or organization who has a business relationship with the company. Check with the Compliance Officer or CEO if you are uncertain as to the appropriateness of an offered gift. Perishable or consumable gifts given to a department or group are not subject to any specific limitation.

Your role in giving or accepting appropriate business courtesies include:

- Never give or accept any item that could be construed as a bribe or kickback
- Never accept cash or its equivalent (such as gift certificates)
- Never accept gifts or entertainment that are excessive in value
- Never accept discounts that are not available to the public or recognized as part of the company's discount program
- Never solicit a gift
- Never pressure colleagues to give a gift, or contribute to a collective gift for another colleague
- Never allow other companies to dictate our purchases of services simply because they are our customers
- Never pressure a customer, supplier, or vendor to purchase a product as a condition of doing business with TIHP
- Never accept an honorarium or a speaker fee for speaking on behalf of TIHP

COMPLIANCE PROGRAM

The TIHP Compliance Program is intended to demonstrate in the clearest possible terms the absolute commitment of the organization to the highest standards of ethics and compliance. That commitment permeates all levels of the organization. There is oversight via the Board of the Directors; a Compliance Officer who serves as liaison to the CEO and the Board of Directors; and a Compliance

Committee consisting of senior management. All of these individuals or groups are prepared to support you in meeting the standards set forth in this Code of Conduct.

We are committed to ethical and legal conduct that is compliant with all relevant laws and regulations and to correcting wrongdoing wherever it may occur in the organization. Each employee has an individual responsibility for reporting activity by any employee, physician, subcontractor, or vendor that appears to violate applicable laws, rules, regulations, or this Code of Conduct.

To obtain guidance on an ethics or compliance issue or to report a suspected violation, you may choose from several options. We encourage the resolution of issues at a departmental level whenever possible. It is an expected good practice, when you are comfortable with it and think it appropriate under the circumstances, to raise concerns first with your supervisor. If this is uncomfortable or inappropriate, another option is to discuss the situation with another member of management or by contacting the Compliance Officer, Tammy Gifford at (361) 676-8119. You are always free to anonymously contact the Compliance Hotline at (888) 418-1566.

When an instance of non-compliance is suspected, detected, reported, or discovered internally or externally, a proper and thorough investigation will be commenced. We expect all employees to cooperate with investigation efforts. We will make every effort to maintain, within the limits of the law, the confidentiality of the identity of any individual who reports possible misconduct to the extent possible. Information about investigations is only shared on a need-to-know basis. There will be no retribution or discipline for anyone who reports a possible violation in good faith. Any employee who deliberately makes a false accusation with the purpose of harming or retaliating against another employee will be subject to discipline up to and including termination.

Where an internal investigation substantiates a reported violation, the Compliance Officer will work with the appropriate staff to initiate corrective action, including, as appropriate, making prompt restitution of any overpayment amounts, notifying the appropriate governmental agency, instituting whatever disciplinary action is necessary, and implementing systemic changes to prevent a similar violation from recurring in the future. All violators of the Code of Conduct will be subject to disciplinary action. The precise discipline utilized will depend on the nature, severity, and frequency of the violation and may result in any of the following disciplinary actions:

- Verbal warning (which will be documented for historical purposes)
- Written warning
- Written reprimand
- Suspension
- Termination

It should be noted that the steps listed above are not necessarily a sequential process. Any step(s) can skip based on the severity of the violation.

We are committed to performing routine auditing and monitoring of operational areas and our contracted First Tier, Downstream or Related Entities (FDRs) to evaluate compliance with regulatory requirements, company policies, the Code of Conduct, and the overall effectiveness of our Compliance Program. The Compliance Officer oversees and executes ongoing auditing and monitoring activities both independently and in coordination with other business teams of high-risk

areas and, oversees corrective actions and implementation plans pursuant to compliance findings.

Adherence to and support of our Code of Conduct and participation in related activities and training will be considered in decisions regarding hiring, promotion, and compensation for all candidates and employees. We require all employees (e.g., full-time, part-time, and temporary employees, agents, Board Members, etc.) to sign an acknowledgment confirming they have received, reviewed, and understand the Code of Conduct and the Compliance Plan. All employees are required to sign this acknowledgment as a condition of employment upon hire and annually thereafter.

A MESSAGE FROM THE COMPLIANCE OFFICER

Tammy Gifford, JD, CHC
TIHP Compliance Officer

Our Compliance Plan and our Code of Conduct reflect our core values and dedication to fostering ethical principles and behavior and a culture of compliance. However, it does not substitute for our internal sense of fairness, honesty, and integrity. Doing the right thing at the right time and for the right reason requires balance, fairness, and courage. When you run into a situation or are considering a course of action that does not feel right, you should ask yourself the following questions:

- Is it Legal?
- Does it comply with company policy?
- Does it reflect the Spirit of the Code?
- Would I feel comfortable if it made a news headline?
- Could it adversely impact the company if all employees did it?

If the answer to any of these questions is "No" or "Not Sure" then the action may have serious consequences and you should not do it. If you are uncertain of the answer, then please contact the Compliance Hotline at 1-888-418-1566 which is available 24 hours a day/7 days per week. The hotline allows for anonymous reporting of potential violations. You can also discuss your concerns with your immediate supervisor or Human Resources. The Code of Conduct is not intended to provide answers to every question that you may have about our policies, laws, or regulations. The following sections list some frequently asked questions (FAQs) and some Q & A scenarios intended to increase your understanding of how guidelines must be applied.

FREQUESNTLY ASKED QUESTIONS

If I have a question about workplace conduct or saw something that I thought was wrong, whom should I contact? We encourage you to talk to your supervisor first. However, if for any reason you do not feel comfortable talking to your supervisor or if your supervisor did not answer the question or address the problem to your satisfaction, you may contact Human Resources or the Compliance Officer Tammy Gifford at (361) 676-8119, or anonymously call the Compliance Hotline at (888) 418-1566 which is available 24 hours a day/7 days per week.

If I report something suspicious, will I get in trouble if my suspicion turns out to be wrong? If you honestly have a concern, our policy prohibits your being reprimanded or disciplined. As a TIHP employee, you have a responsibility to report suspected problems. In fact, employees may be subject to discipline if they witness something but do not report it to the company. The only time someone will be disciplined for reporting misconduct is if he or she knowingly and intentionally reports something that he or she knows to be false or misleading in order to harm someone else.

What is retaliation? Retaliation occurs after you have filed a complaint or reported an alleged violation. It can involve unjustified termination or demotion and may also include actions like an unjustified negative evaluation. TIHP strictly forbids retaliation and does not tolerate those who retaliate. Retaliation does not include any discipline taken due to unrelated performance issues or a violation of Company policies and procedures.

Does the Conflict-of-Interest policy apply to distant relatives, such as cousins, in-laws, or friends? For the purposes of this code, immediate family members include your spouse, parents, children, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, brothers- and sisters-in-law or, anyone (other than domestic employees) who shares your home. However, if any relationship could influence your objectivity or create an appearance of impropriety, you must apply the policy.

What is a Legal Hold? A legal hold (also known as a litigation hold) is the process that may occur to preserve data potentially relevant to anticipated, pending or active litigation, investigations, or other legal disputes.

What is a Kickback? A kickback is payment made to a person in a position of power or influence as part of an illicit agreement or coercion. Kickbacks are often paid in money, but can also take the form of gifts, entertainment, or anything of value. Anything of value can take forms beyond currency. It includes, but it not limited to, credits, free goods or services, the forgiveness of debt, sale, or purchase of an item below market value, as well as compensation for unnecessary services or legitimate services at a rate exceeding fair market value.

MAKING THE RIGHT DECISION

Q: John is invited to serve on the Board of Directors with a non-profit organization that provides health care policy recommendations that are frequently referenced by insurance regulators. Can he accept?

A: Because the organization may make recommendations that could impact our business, there is a potential conflict of interest. John should contact Human Resources or the Compliance Officer for guidance.

Q: Joe's manager requested that he alter a quarterly report so that the numbers look better. Should Joe listen to his manager and make the proposed changes?

A: No. Even though the request came from his manager, Joe should never create false or misleading reports. His manager should never ask that of him and, Joe should report it to the Compliance Officer.

Q: While cleaning up and organizing her files, Susan came across email correspondence related to a member quality of care inquiry that occurred two years ago Susan never stored the information in a central location. Since she is working to unclutter her files and the member disenrolled from the plan last year, she thinks it may be okay to delete the email and the attached documentation. Should Susan delete the information?

A: No. Paper and electronic business records serve as evidence of business decisions and should be stored in a place accessible to others in case they are needed by others for future use. Laws and/or internal policies govern the length of time that certain documents should be archived. Susan should refer to the Records Management policy or contact the Legal Department for guidance.

Q: A member with a chronic health condition, expressed his appreciation to his case management nurse, Sharon, for her support and offered her $100 as a tip. Should she accept it?

A: No. Cash gifts must never be accepted by anyone with whom we have a business relationship.

Q: A member's spouse sent the member's case management nurse a basket of fruit and flowers to thank her for her kindness and for always going the extra mile to help. Can she accept it?

A: Yes, the gift may be accepted because it is not excessive in value and, it is consumable or perishable.

Q: James accidentally emailed an Explanation of Benefits (EOB) that contained personal information to the wrong person outside of the company, but the person told him she deleted it. He also realized that he forgot to send the email via encryption (i.e., secure delivery option). Since the EOB only contained information about one person, does he still need to report this as an incident?

A: Yes. Even if the incident may only affect a single individual, always report the incident to enable the company to comply with any legal or other obligations. Always remember to comply

with data security policies, such as those regarding the use of encryption, that help minimize the risk to the data in case an incident occurs.

Q: Nancy, a clinical case manager, forgot her password to the care management database and after three failed attempts, got locked out of the database and, had to wait for the IT Helpdesk to reset her password. The Helpdesk told Nancy it would be a bit of a wait. Nancy wanted to complete her case data entries by 4pm because she had to leave for an appointment. She called her co-worker, Shelly who was out in the field, and asked if she could use her password to complete the data entries. Should Shelly give Nancy her password?

A: No. Shelly should decline and not give Nancy her password. Shelly should also remind Nancy that sharing passwords is strictly prohibited and may result in both being subject to disciplinary action, up to and including termination.

ACKNOWLEDGEMENT:
Texas Independence Health Plan Code of Conduct and Business Ethics

I hereby acknowledge that I have read, understand and will comply with the provisions of the Texas Independence Health Plan Code of Conduct and Business Ethics.

I pledge to act in compliance with and abide by the Code of Conduct during the entire term of my employment and/or contract.

I acknowledge that I have a duty to report to the Compliance Officer any alleged or suspected violation of the Code of Conduct, or applicable laws and regulations.

I will seek guidance from and raise concerns about possible violations of this Code of Conduct and Business Ethics document with, my supervisor, senior management, Human Resources or through the Texas Independence Health Plan's Compliance Hotline at 1-888-418-1566.

I understand that failure to report any alleged or suspected violation of the Code of Conduct may result in disciplinary action up to and including termination of employment or contract.

I will complete all training courses required by TIHP within the prescribed timeframe and agree to participate in any future compliance trainings as required and acknowledge my successful completion of such trainings as a condition of my continued employment/contract.

_____ _____

Signature **Date**

_____

Printed Name

_____

Position and Department