



THE CODE OF ETHICAL BUSINESS CONDUCT & COMPLIANCE

*for the Employees of CareFirst, Inc. and applicable
affiliated, subsidiary and related companies*



DIFFERENCE MAKERS,

CareFirst's values and mission are the foundation of everything we do and are supported by our *Code of Ethical Business Conduct & Compliance* (the "Code"). Upholding these principles fosters a culture where all employees can learn, grow and thrive. By joining CareFirst, you are making a promise to model the behaviors that continue to distinguish us as a trusted partner in the lives of the people and communities we serve.

As Difference Makers, we are committed to exceeding our customers' needs and expectations, acting with unquestionable ethics and holding steadfast to our mission to provide affordable and accessible health coverage. We care deeply about how we show up each day, paying attention to how we perform our jobs, not just the tasks themselves. Each of us is responsible for conducting ourselves with the utmost integrity for the people we serve and for each other as One Company, One Team. This means we are always thinking about how we manage our internal business operations and how we interact with customers, partners and our local community.

The Code is one way we attest to the standards and values we have committed ourselves to maintaining. Each of us has an obligation to ensure a workplace culture that reflects our core values, strong ethical principles and compliance with all applicable laws, rules and regulations.

I am honored to lead CareFirst alongside those committed to making a difference, driving change and keeping ethical conduct at the forefront of all we do. It is a privilege to work for an organization anchored by exceptional values. Our continued success depends on each of us living by those values and conducting ourselves in a manner true to the Difference Makers we are.

Thank you for your continued commitment to doing the right thing and taking an active role in creating an ethical and accountable culture.



With Care,

Brian D. Pieninck
President and Chief Executive Officer



DIFFERENCE MAKERS,

As the Chief Risk Officer, I oversee our company's risk management framework, which includes ensuring compliance with our code of conduct. We established the *CareFirst Code of Ethical Business Conduct & Compliance* (the "Code") as a guide for living our values. The Code provides an overview of our Ethics & Compliance program and emphasizes the shared common principles that guide our actions. It is a vital tool for managing the legal, regulatory, reputational, and financial risks we face as a company.

CareFirst is committed not only to the ideals reflected in the Code but also to ensuring our actions consistently reflect our words. In this spirit, we want to build an organization with shared values. We expect all members of the workforce to reflect the high standards we have set. However, nothing can substitute for our own internal sense of fairness, honesty, and integrity.

If you see behaviors or practices that fall short of CareFirst's mission or values, I urge you to speak up. Open communication and trust are essential as we continue to strengthen our culture of compliance, one that tolerates no form of retaliation for raising concerns. I encourage you to initiate these conversations with us candidly and without fear. CareFirst's Illegal Retaliation policy protects against any form of retaliation.


Your contributions are essential to our ongoing efforts to safeguard our culture of ethics and integrity. If you encounter a situation that "just doesn't feel right," you should discuss the situation with your immediate supervisor or another member of senior management. If you are not comfortable doing so, please report your concern to the Ethics & Compliance Hotline.

You are a valuable member of our team. Thank you for your dedication and support of the values and principles critical to achieving our mission.

With Care,

A handwritten signature in black ink, appearing to read "Matt Snyder". The signature is fluid and cursive.

Matt Snyder
SVP, Chief Risk Officer



OUR VALUES

Our values serve as the pillars of all we do. They guide our company's dedication to maximizing our community's access to high quality, cost effective health care services.

CUSTOMER FIRST

We see ourselves through the eyes of our customers. We deliver services that anticipate our customers' needs.

INTEGRITY

We communicate openly, directly, and timely. We act with unquestionable ethics.

PERSONAL ACCOUNTABILITY FOR EXCELLENCE

We take individual ownership for achieving high performance. We demonstrate a bias for action.

ONE COMPANY ONE TEAM

We align our decisions and actions for the greater good. We collaborate with and support others to achieve results.

LEADERSHIP

We each set an example of high ethical standards in performing our duties. We demonstrate leadership in our markets, our communities, and the health care industry.



Think**FIRST**

Questions? Concerns? Answers. Ethics & Compliance Office | 410-528-7193 | ethicsandcompliance@carefirst.com

TABLE OF CONTENTS

Chapter 1: About the Code of Ethical Business Conduct & Compliance.....	1
Chapter 2: Our Work Environment.....	7
Chapter 3: Protecting Our Information.....	11
Chapter 4: Using Company Assets.....	16
Chapter 5: Conflicts of Interest.....	19
Chapter 6: Conducting CareFirst’s Business.....	26
Chapter 7: Conducting Business with the Government.....	35
Conclusion.....	38
Fiduciary Obligations of The Board of Directors..	39
Resources.....	41
Appendix.....	42

CHAPTER 1: ABOUT THE CODE OF ETHICAL BUSINESS CONDUCT & COMPLIANCE

Why do we have a Code of Ethical Business Conduct & Compliance?

Our [core values](#) and ethical standards are necessary to who we are as Difference Makers and what we do at CareFirst.

CareFirst's Code of Ethical Business Conduct & Compliance (the "Code") is our guidebook for living our values. The Code serves as a resource, supporting our Company policies and procedures in helping each of us understand how we must conduct ourselves in our day-to-day business activities. Doing so protects CareFirst's and your own reputation, and it also supports our mission. To access our Corporate Policies go to InsideCareFirst, select the Code of Conduct & Policies tab and click Corporate Policies.



The Code applies to everyone at CareFirst

Our Code applies to all members of the Board of Directors, corporate officers, leadership, and every employee of CareFirst, Inc., and all entities within the CareFirst organizational structure, except where an entity and its leaders and employees are subject to a separate code of conduct specific to that entity.

The Code applies in the workplace and whenever you are performing Company business, representing the Company, or attending a Company-sponsored event. No one is exempt from the Code. Failure to comply with its guidelines may lead to disciplinary actions, up to and including termination.

The terms "Company" and "CareFirst" as used throughout the Code, include CareFirst, Inc. and all entities within the CareFirst organizational structure that are not subject to a separate code of conduct specific to that entity.

The term "employee" as used throughout this Code refers to any person, including leadership of CareFirst, who is employed and paid directly by CareFirst and not through a Third Party, whose payments from CareFirst are subject to payroll tax withholdings, and to whom CareFirst issues a Form W-2. It also includes Board of Director members for purposes of this Code.

The term "contingent worker" as used throughout this Code refers to any individual contractor, contractor's employees or subcontractors, consultants, contingent workforce members, or unpaid interns, any of whom perform a service on behalf of CareFirst and any of its affiliated, related, or subsidiary companies.

Third Party Code of Ethical Business Conduct & Compliance

CareFirst also maintains *The Third Party Code of Ethical Business Conduct & Compliance* (the “Third Party Code”) to which all of our contingent workers must adhere while they are conducting business with and/or on behalf of CareFirst.

Companies that employ or contract with contingent workers are responsible for ensuring that their employees and subcontractors understand and abide by our Third Party Code. Any employee who engages or manages a business partner or contingent worker who performs services for CareFirst is responsible for monitoring that party’s conduct to ensure compliance with our Third Party Code.

Violations of the Third Party Code will result in a review of the contingent worker’s business relationship or engagement with CareFirst, up to and including termination of that relationship or engagement.

All contingent workers receive an electronic copy of the Third Party Code.

The Third Party Code may be found at [carefirst.com/contractorcode](https://www.carefirst.com/contractorcode).

Knowing and complying with the CareFirst Code and policies

CareFirst’s reputation for integrity depends on all of our actions. This means that we need to understand the standards of conduct for which we are all accountable.

Each of us is responsible for knowing, understanding, and complying with the Code, Company policies and procedures, and relevant laws. Compliance with the Code and our policies is a condition of employment with CareFirst.

For your further reference, our Company policies and procedures should guide your conduct. To access our Corporate Policies go to [InsideCareFirst](#), select the *Code of Conduct & Policies* tab and click *Corporate Policies*.

Making effective and ethical decisions

To support an ethical culture, we as Difference Makers must understand what to do when faced with an ethical or compliance-related dilemma. We must never compromise ethical standards to meet personal or corporate goals. Never commit, or ask others to commit, unethical or illegal acts, even if directed to do so by your people leader.

Seek out available resources, such as our policies and procedures. Ask questions until you have the information necessary to make decisions that comply with CareFirst standards and the law. Always challenge questionable conduct, and report unethical behavior immediately.

We are responsible for doing what is right and asking questions when we have them. An important first step in good decision-making is to stop and ThinkFIRST. What you do matters.

Our people leaders’ responsibilities

Our people leaders play an important role in supporting our culture of ethics and compliance.

People leaders must set an example and always be role models of appropriate behavior.

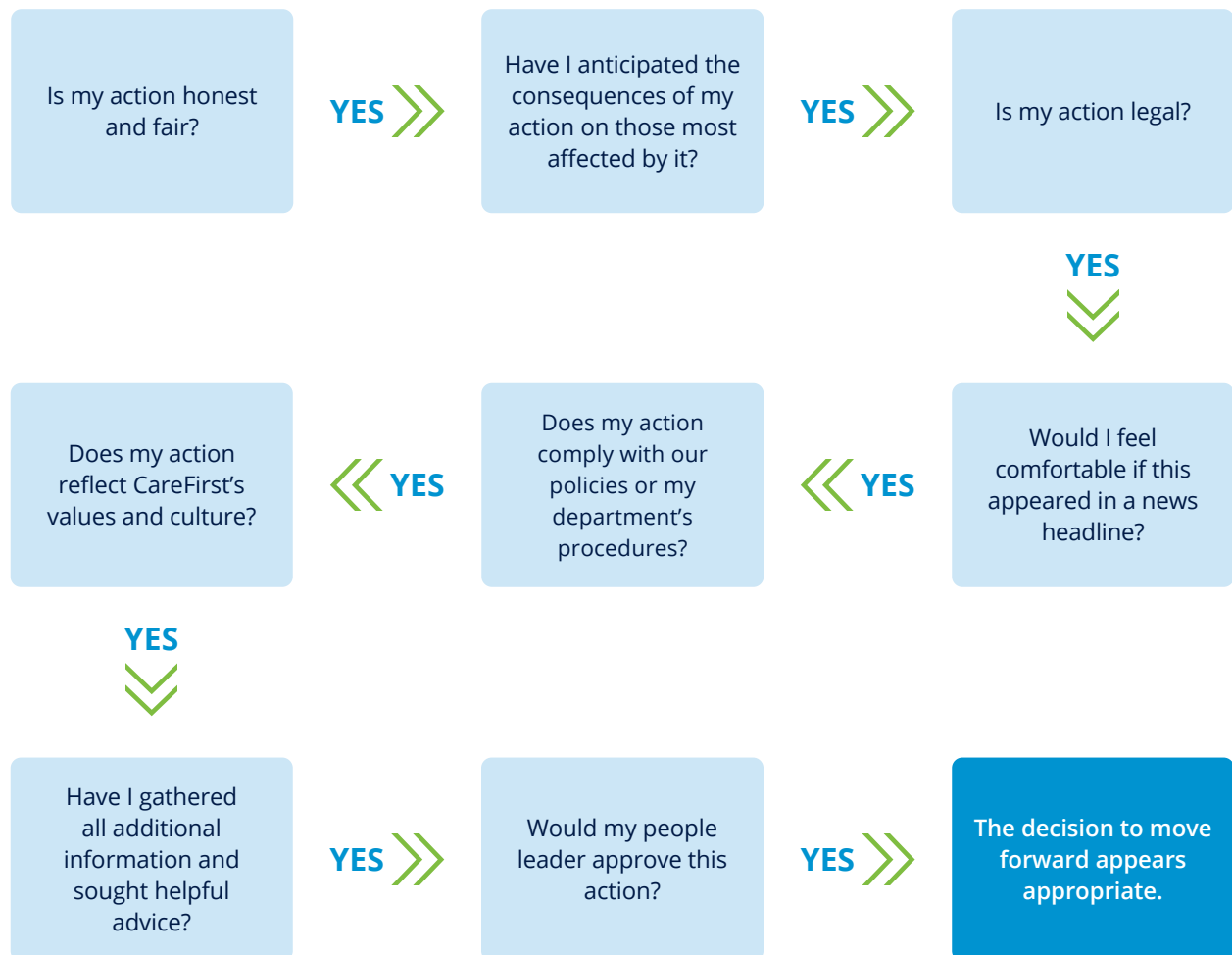
Our people leaders are expected to:

- Reinforce our Code and make sure employees understand the behaviors expected of them;
- Create a positive work environment where employees feel comfortable raising concerns or challenging questionable conduct;
- Recognize and reward employees whose behavior demonstrates our values;
- Never disregard ethical standards in order to achieve any business objective or personal goal;
- Immediately report known or suspected Code violations;
- Adhere to, enforce, and periodically remind employees about our non-retaliation policy;
- Ensure that they and their teams complete all mandatory trainings, required disclosures, and certifications in a timely manner;
- Monitor the business partners and contingent workers they engage/manage to ensure their behavior is consistent with our Third Party Code; and
- Establish and accept accountability for the actions and conduct of their staff.

STEPS TO BETTER ETHICAL DECISION-MAKING

If you are unsure whether an action is appropriate, think about and consider the following when faced with a difficult decision.

If the answer to any of these questions is “no,” refrain from taking the action or seek assistance from a people leader.



Not sure if the answer to a question is “yes” or “no”?

Talk to your people leader or contact the [Ethics & Compliance Office](#).

Chief Ethics & Compliance Officer

Our Chief Ethics & Compliance Officer is appointed by the Audit and Compliance Committee of the Board of Directors and reports directly to our Audit and Compliance Committee of the Board of Directors. Responsibilities include the dissemination of information, training, compliance monitoring, investigation, and overall maintenance of the Code.

Your obligation to speak up, report violations, and cooperate in investigations

Employees who raise concerns help CareFirst to correct problems before they grow. Speak up if you see or suspect activity that violates our Code. When in doubt, ask!

You must report all suspected violations of this Code, any law or regulation, or CareFirst policy. To discuss or report an ethical or compliance-related concern, take any of the following actions:

- Talk to your people leader or leadership;
- Contact your CareFirst Human Resources Business Partner
- Contact the CareFirst Ethics & Compliance Office by phone at **410-528-7193** or via email at ethicsandcompliance@carefirst.com
- Submit your concern to the Ethics & Compliance Hotline by phone at **410-528-7800** or online at carefirst.com/speakup.

You should limit discussions regarding potential violations of the Code in order to maintain the integrity of a full and fair investigation.

You must cooperate fully and honestly in any CareFirst investigation. Failure to cooperate and provide honest, complete, and truthful answers could result in disciplinary action, up to and including termination.

[Associate Guidelines for Raising Concerns](#)

[Management Guidelines for Receiving Concerns or Potential Misconduct](#)

Reporting concerns to the Ethics & Compliance Hotline

You always have the option to report concerns to the Ethics & Compliance Hotline online at carefirst.com/speakup or by phone at **410-528-7800**. You can choose to provide your name or remain anonymous.

The Ethics & Compliance Hotline is available 24 hours a day, seven days a week. Hotline calls are truly anonymous. Calls are not traced. There is no caller ID.

If you choose to make an anonymous report, please be prepared to provide as much information as possible about the situation to enable us to investigate your report thoroughly. The Ethics & Compliance Office will make every attempt to investigate anonymous reports to the greatest extent possible. If you do not provide sufficient information about the conduct in question, including the individual(s) or business area(s) involved, and/or dates, the Ethics & Compliance Office may not be able to investigate the matter.

Here is a guide to help you in the event you choose to make an anonymous report:

- Describe the situation in detail and include the business areas involved.
- Provide the names of individuals involved.
- Identify dates and locations of events.
- Describe how the situation occurred (e.g., Was a procedure not properly followed? Did your people leader or other leadership give an instruction?).
- Indicate whether you witnessed the situation, or whether someone told you about it.
- Describe any relevant documents and identify their location. If submitting your concern online, please attach any relevant documentation if possible.

Confidentiality

All reports of Code violations are treated confidentially to the greatest extent possible. However, if a matter requires the involvement of law enforcement authorities, information may be shared as required by law. In addition, sometimes it is impossible to investigate suspected misconduct without identifying the person who reported it. Any disclosure is limited to only those who have a need to know.

Individuals who participate in investigations should be mindful of protecting the confidentiality of reports made to their people leaders and/or the Ethics & Compliance Office. People leaders must also protect the privacy of any employee who makes such a report.

CareFirst's responsibility to respond

The Ethics & Compliance Office commits to investigating all reported potential violations of the Code as appropriate and in a timely manner. During an investigation, the Ethics & Compliance Office partners with Human Resources to ensure that all relevant information is reviewed and considered. Other departments also may be involved as necessary.

Our Chief Ethics & Compliance Officer, or their designee, is responsible for directing the investigation of all known or suspected violations of the Code and reporting the results to the Audit and Compliance Committee of the Board of Directors or the full Board of Directors. Additionally, the Chief Ethics & Compliance Officer reports violations of the Code to the appropriate regulatory agencies as needed.

Reporting requirements of attorneys

CareFirst attorneys have special reporting obligations. An attorney who suspects a material violation of law or breach of fiduciary duty by CareFirst or its agents must report it to the General Counsel or the Chief Executive Officer (CEO).

If the General Counsel or CEO does not take appropriate action or if the General Counsel or CEO is directly involved in the violation, the attorney must report the findings to the Audit and Compliance Committee of the Board of Directors, to any Board of Directors Committee comprised of independent directors, or to the Board of Directors as a whole.

Disclosure

We are committed to appropriately disclosing violations of laws, regulations, and requirements under government and other business contracts applicable to governing entities.

Non-retaliation policy

We will not tolerate illegal retaliation against any employee or contingent worker who in good faith reports any suspected or observed misconduct, non-compliance, or other legal or ethical concern, or who cooperates with an investigation. Illegal retaliation may include, but is not limited to, a denial of benefits, termination, demotion, suspension, threats, intimidation, or discrimination.

The federal government also protects employees and contingent workers against illegal retaliation for certain whistleblowing activities related to federal grants and contracts.

If you believe you may have been retaliated against, you should report this behavior to your people leader, HR, or the Ethics & Compliance Office. CareFirst takes allegations of illegal retaliation seriously. We will investigate all complaints of threatened, attempted, and actual illegal retaliation, and take appropriate actions.

Good faith reporting is:

- A genuine attempt to provide honest, accurate information about a possible Code violation
- Raising a concern, even if you are later proven to be mistaken

Good faith reporting is not:

- A frivolous report made to get someone else in trouble
- Knowingly making a false report

What is illegal retaliation?

The term “illegal retaliation” refers to conduct as a result of a good faith complaint you make of wrongdoing or misconduct or your participation in an investigation of a complaint of wrongdoing or misconduct. If you have not made a preceding complaint or participated in an investigation, the conduct is not illegal retaliation although it may not be appropriate.

An exception to the above is any action that might discourage you from making or supporting a charge of wrongdoing or misconduct in the workplace or from raising a business practice issue.

What does illegal retaliation look like?

Illegal retaliation can take many forms. Here are some of the most common forms of illegal retaliation that occur because an individual made or supported a charge of misconduct in the workplace:

- Exclusion from decisions, meetings, or work activities by management or co-workers;
- Verbal abuse, derogatory comments, increased scrutiny, or intimidation by management or co-workers;
- Denial of a promotion or pay raise;
- Relocation, reassignment, or diminution of job duties; or
- Loss of job.

Illegal retaliation does not include petty slights and annoyances, such as stray negative comments in an otherwise positive or neutral evaluation or negative comments that are justified by an employee’s poor work performance. You are not excused from continuing to perform your job in accordance with management’s expectations or following Company rules, policies, or procedures just because you have filed a report.

WHAT ARE SOME EXAMPLES OF MISCONDUCT THAT COULD RESULT IN CORRECTIVE ACTION?

- Submitting a false timesheet or expense report
- Inappropriately accessing or disclosing another employee’s or member’s confidential information
- Lying or not cooperating during an investigation
- Not reporting a known or suspected violation of the Code
- Making an intentionally false report of a Code violation
- Charging an expense to an account or project other than the one for which it is incurred
- Altering final entries on Company records
- Inappropriately using the Internet, instant messaging, and/or email

How to report concerns

You are not protected from corrective action if it turns out that you were involved in the reported wrongdoing or acted unlawfully. Anyone who knowingly makes a false report may be subject to disciplinary action, up to and including termination. Additionally, if you have performance issues, the illegal retaliation policy does not protect you from any performance management discussions or actions.

[Human Resources Policy, HR 200.05 Illegal Retaliation](#)

Corrective action guidelines

Violations of the Code are taken seriously. If you approve or participate in actions that violate the Code, CareFirst policies or procedures, any laws or regulations, or fail to cooperate in an investigation, you are subject to corrective action, up to and including termination.

[Human Resources Policy HR 900.01 Performance Management](#)

[Human Resources Policy HR 900.03 Corrective Action](#)

CHAPTER 2:

OUR WORK ENVIRONMENT

We are committed to maintaining a safe and healthy work environment. Working in an atmosphere of honesty and respect enhances our relationships with our co-workers and customers.

You are responsible for reading and complying with all of CareFirst's human resources policies. To access our Corporate Policies go to [InsideCareFirst](#), select the *Code of Conduct & Policies* tab and click *Corporate Policies*.

Drug-free workplace

We are expected to work free from the influence of illegal drugs including marijuana or cannabis. CareFirst prohibits the possession, sale, manufacture, use, or distribution of illegal drugs in the workplace or on Company work time. CareFirst also prohibits the use, possession, or distribution of alcohol at any CareFirst location unless authorized consistent with CareFirst policy and prohibits becoming intoxicated at any Company event, whether at a CareFirst location or off-site. Otherwise, the use or consumption of alcohol while working is strictly prohibited.

If you are convicted of a criminal drug statute violation that occurs in the workplace, you must notify your area's Human Resources Business Partner within three (3) calendar days of the conviction. Failure to tell HR about your conviction can lead to disciplinary action, up to and including termination.

[Human Resources Policy, HR 1000.02 Drug and Alcohol Free Workplace](#)

[Human Resources Policy, HR 800.05 Respectful Workplace Conduct](#)

Smoke-free workplace

CareFirst prohibits all forms of smoking throughout its locations. This includes all buildings, entrances, walkways, and sidewalks as well as parking lots, parking structures, Company-owned/leased vehicles, and off-site Company-sponsored events except in designated smoking areas.

[Human Resources Policy, HR 1000.03 Smoke-Free Workplace](#)

An Employee Assistance Program (EAP) is available when you need assistance in dealing with problems, including substance abuse. For information on the services available you may go to [InsideCareFirst](#), click on HR, select Benefits Overview, and then click on Employee Assistance Program (EAP). You may also contact your Human Resources Business Partner.

Workplace violence

CareFirst prohibits any form of violence, threats, harassment, intimidation, bullying, or other disruptive behavior in the workplace. This includes verbal or written threats of violence. These types of violent actions will not be tolerated and could result in disciplinary action, up to and including termination. If you experience or have knowledge of any violence or threats, you should immediately report it to your people leader or Human Resources Business Partner.

[Human Resources Policy, HR 800.05 Respectful Workplace Conduct](#)

[Human Resources Policy, HR 800.06 Violence in the Workplace](#)

Weapons

Unless contrary to any federal, state, or local law, weapons of any sort are prohibited on CareFirst-owned or leased properties and/or while conducting CareFirst business.

Bringing weapons into the workplace, even if you have a permit to carry a concealed weapon, could be considered grounds for immediate termination.

This does not apply to authorized law enforcement officials or duly licensed and authorized security staff who are employed by one of CareFirst's designated security vendors and whose job it is to provide security services at CareFirst premises.

[Human Resources Policy, HR 800.05 Respectful Workplace Conduct](#)

[Human Resources Policy, HR 800.06 Violence in the Workplace](#)

Health, safety, and environment

We are committed to conducting our operations in compliance with applicable health, safety, and environmental laws and standards. You must obey safety rules and regulations. You should immediately report any unsafe conditions or activities to your leadership.

[Human Resources Policy, HR 1000.01 Health and Safety Policy](#)

Qualification of employees

It is our policy to hire fully qualified employees. We will make reasonable inquiry into the background of all candidates considered for employment.

All employment-related decisions with respect to any candidate or employee are made based on the candidate's or employee's individual qualifications.

Decisions shall not be made based on the likelihood or perceived likelihood that the candidate or employee will support or tend to support the denial of benefits. This policy ensures that all CareFirst claims and appeals received from our members and providers are adjudicated in a manner designed to ensure the independence and impartiality of the persons involved in the decision.

[Human Resources Policy, HR 300.01 Employment](#)

Annual compliance certification

Federal law prohibits CareFirst from hiring or contracting with individuals who have participated in certain types of activities (ineligible individuals). Individuals are ineligible for hire, continued employment, or any contractual relationship if they are:

- Listed as debarred, suspended, excluded, or otherwise ineligible to participate in federal healthcare programs or contracts with the federal government;
- Convicted of a crime related to the provision of healthcare items or services; or
- Convicted of a felony involving fraud, embezzlement, theft, dishonesty, or breach of trust. Felony possession of drugs with intent to distribute drugs may be considered a felony involving breach of trust in the jurisdictions in which CareFirst operates and must be reported.

In an effort to identify ineligible individuals, CareFirst requires everyone who has access to its systems, facilities, and/or Protected Health Information (PHI) or Personally Identifiable Information (PII) to complete an annual Compliance Certification with accurate and honest answers. You must notify the Ethics & Compliance Office immediately if changes to your certification status occur during the year.

Employment of government personnel

There are strict laws and regulations that govern the recruiting and hiring of current and former government employees. You must contact Human Resources before discussing employment or consulting arrangements with a current or former government employee due to conflict of interest laws.

[Human Resources Policy, HR 300.01 Employment](#)

Inclusion, equity, and employee responsibility

CareFirst's diversity reflects the richness of our culture. Different approaches, experiences, ideas, and perspectives are not only welcome but actively sought. We are committed to an inclusive work environment where everyone is valued for their unique attributes and perspectives.

We believe that our people are our strength. We practice empathy, seek to understand, invest in inclusion, demand equity, and nurture belonging every day for our employees and the communities we are proud to serve. It is through our diverse and inclusive backgrounds that we are closer than ever to achieving our mission.

[Human Resources Policy, HR 200.03 Equal Employment Opportunity/Affirmative Action](#)

[Human Resources Policy, HR 200.04 Illegal Discrimination and Illegal Harassment](#)

[Human Resources Policy, HR 800.05 Respectful Workplace Conduct](#)

Equal employment opportunity and affirmative action

We provide equal opportunity to all employees and job applicants. Nobody will be discriminated against in employment because of race, color, religion, disability or history of disability, national origin, sex (including pregnancy), age, sexual orientation, gender identity or expression, veteran status, genetic information, or any other legally protected classification.

We are committed to identifying diverse candidates who are qualified for CareFirst positions. Our Affirmative Action Plan is a set of specific and results-oriented measures taken to bring about equal opportunities for all employees.

[Human Resources Policy, HR 200.03 Equal Employment Opportunity/Affirmative Action](#)

EXAMPLES OF DISCRIMINATORY HARASSMENT ARE:

- Derogatory nicknames, comments, or slurs;
- Derogatory posters, backgrounds, screen savers, cartoons, or gestures;
- Assault, intentional blocking, or interfering with normal conduct; and/or
- Inappropriate words, labels, or symbols used as IDs, passwords, computer sign-offs, or greetings.

SOME EXAMPLES OF SEXUAL HARASSMENT ARE:

- Unwelcome sexual advances, propositions, or requests for sexual favors;
- Unwanted physical contact including touching, rubbing, or brushing up against another;
- Verbal harassment such as suggestive comments, sexual innuendos, and jokes of a sexual nature;
- Non-verbal conduct such as obscene gestures, leering, whistling, displaying or circulation of sexually suggestive objects or pictures; and/or
- Aggressive, intimidating or "bullying" conduct directed toward someone because of their gender, even if not sexual in nature.

Workplace discrimination and illegal harassment

We have a zero-tolerance policy for all forms of illegal harassment. We treat people with professional respect and courtesy. We do not tolerate illegal harassment on the basis of race, color, religion, disability, national origin, sex (including pregnancy), age, sexual orientation, gender identity or expression, veteran status, genetic information, or any other legally protected classification in the workplace, at any work-related function, or in connection with work for the Company.

Illegal retaliation against anyone who has reported illegal harassment of any kind, or who has participated in the investigation of an allegation of illegal harassment, is forbidden.

[Human Resources Policy, HR 200.04 Illegal Discrimination and Illegal Harassment](#)

[Human Resources Policy, HR 200.05 Illegal Retaliation](#)



Solicitation, distribution of materials, and bulletin board use

CareFirst sets certain limits on soliciting support and distributing materials for non-Company-sponsored organizations or causes. You may not use office supplies for non-CareFirst-sponsored solicitation and distribution activities.

Solicitation may not occur during work time, except in connection with a CareFirst approved or sponsored event or activity.

Distribution of non-job-related materials may not occur during work time or in work areas, except in connection with a CareFirst-approved or sponsored event or activity.

Non-working areas in CareFirst locations where such distribution is allowed include break rooms, cafeterias, or other areas not used by employees for the performance of work.

Postings or promotions of events, programs, or other items on CareFirst bulletin boards and other CareFirst owned means of communication, such as Company intranet, voicemail, instant messaging, and email, should be limited to:

- CareFirst-sponsored or generated materials; and
- CareFirst business-related material (product and sales announcements, regulatory information, etc.).

Postings or any communications in common areas, such as near elevators or in hallways, are prohibited.

Visitors who are not employed by CareFirst are prohibited at all times from the distribution of literature and solicitation of any kind on Company premises.

[Human Resources Policy, HR 800.04 Solicitation, Distribution of Literature, and Bulletin Board Use](#)

CHAPTER 3:

PROTECTING OUR INFORMATION

CareFirst confidential and proprietary information is vital to our success, and we are all responsible for protecting it. This includes confidential and proprietary information about:

- Our strategies, products, services, and financials; and
- Information relating to our members, employees, providers, suppliers, vendors, agents, and government contracts.

We are responsible for safeguarding CareFirst confidential and proprietary information. We must ensure that such information is used only for CareFirst's valid business purposes and not for personal gain for ourselves or others.

Confidential and proprietary information about CareFirst business

We must never disclose, use, or access confidential or proprietary information unless we are authorized to do so by CareFirst policy and a legitimate business need exists or where such disclosure is legally required. CareFirst's confidential and proprietary information includes:

- Any information that is not shared with individuals outside of CareFirst; and/or
- Any information that could be useful to our competitors.

In addition, intellectual property produced by CareFirst must be protected for the benefit of the Company. This includes inventions, discoveries, ideas, improvements, software programs, artwork, and works of authorship. Generally, any work product you develop as an employee is CareFirst property.

Please remember that you must protect this information from improper use or disclosure even after you leave CareFirst. You may not take customer lists, formulas, processes, contracts, trade secrets, intellectual property, sales data, presentations, or any other CareFirst materials with you when your employment with us ends.

You must sign a Confidentiality, Proprietary, and Intellectual Property Statement upon hire and annually thereafter as a condition of employment. In this Statement, you assign to CareFirst all of your rights, if any, in intellectual property that you develop or create in fulfillment of your duties.

[CareFirst Ethics & Compliance FAQs: Conflict of Interest Disclosure Statement and Compliance Certification Process](#)

[Corporate Governance Policy, PRV 100.07 Privacy Responsibility Policy](#)

[Information Technology Policy, IT 100.03 Cybersecurity Responsibility Policy](#)

WHAT ARE SOME EXAMPLES OF CONFIDENTIAL AND PROPRIETARY INFORMATION ABOUT CAREFIRST BUSINESS?

- Financial data/projected earnings
- Information systems/technical designs
- Sales figures
- Provider contract terms
- Marketing plans and strategies
- Lists of suppliers, customers, and business employees
- Product designs and development
- Pricing policies and rate manuals
- Business forecasts and strategies
- Actuarial data
- Employee information
- Coding information
- PowerPoint presentations

Confidential and proprietary information of others

We respect the intellectual property rights of others. Never access or share confidential or proprietary information about our providers, vendors, consultants, and other business partners unless authorized by law, policy, for a valid business reason, or because your job duties require you to do so. Some examples of materials that may be subject to intellectual property protections include:

- Graphics
- Photographs
- Clip art
- Animation
- Articles
- Electronic subscriptions
- Movie/video clips
- Memes
- Sound or music
- Newsletters

[Information Technology Policy, IT 100.03 Cybersecurity Responsibility Policy](#)

[Marketing and Government Affairs Policy, MGA 200.01 Intranet Policy](#)

Use of software

Most computer software is protected by copyright laws and purchase agreements that safeguard the software manufacturer's investment in creating the software. It is our policy to comply with the license agreements that govern the use of software.

The CareFirst IT Operations Division (IT) installs and configures all Company software on CareFirst assets. You may never install, download, or copy any software (including from the internet) without pre-approval from IT. You may not use any external file sharing, file transmission, or file storage sites (including but not limited to cloud services) without the specific approval of the Cybersecurity and the Office of Corporate Counsel.

[Information Technology Policy, IT 300.02 Desktop Software and Services Acquisition and Installation Policy](#)

[Information Technology Policy, IT 300.03 Information Technology Devices and Services Policy](#)

[Information Technology Policy, IT 300.04 Cloud Computing Security Policy](#)

Logo usage

The use of any trademark or logo licensed by the Blue Cross Blue Shield Association (the Association) requires prior review and approval by the Brand Management department.

Confidence and trust in our CareFirst logo depend on everyone using it correctly and consistently. We may not change or modify the CareFirst brand logo in any way.

[Strategic Marketing & Product Development Policy, MGA .06 Brand and Logo Use and Approval](#)

[CareFirst BlueCross BlueShield Brand Guidelines](#)

Confidential information about our employees

We must never access or disclose confidential employee information, such as benefit, medical, claim, financial, and personal information, unless authorized to do so. Use or access confidential employee information only to the extent necessary to perform your job function.

Confidential information about friends, relatives, and others

You should never use your position to access claim or confidential information as a convenience for your friends, family members, or those with whom you have a personal relationship. Such individuals must go through the normal business process by contacting Customer Service to obtain their claim and account information.

You must not access your own claim or account information. If you need information relating to your own health coverage, you must go through the normal business process by contacting Customer Service.

[Corporate Governance Policy, PRV 100.07 Privacy Responsibility Policy](#)

[Human Resources Policy, HR 300.13 Employment Verification](#)

[Human Resources Policy, HR 300.18 Employee Records](#)

[Information Technology Policy, IT 100.02 IT Equipment Use Policy](#)

WHAT ARE SOME EXAMPLES OF CONFIDENTIAL EMPLOYEE INFORMATION?

- Wage and salary data, paid time off data, performance reviews, corrective action, and other personnel records
- Marital status/military status
- Employee identification number
- Employment agreements
- Social Security numbers
- Financial/banking information
- Claims and medical information
- Personal data relating to long- and short-term disability, the Family Medical Leave Act (FMLA), Americans with Disabilities Act (ADA)

Confidential information about our members—Protected Health Information

Federal and state laws govern the use of an individual's health, financial, and other private information. A criminal action can be brought against you personally if you knowingly obtain or disclose anyone's Protected Health Information (PHI) without their authorization. Civil penalties for such violations can be as great as \$1.5 million.

You must never access or share member PHI (including celebrities, other public figures, friends and relatives, and other employees) unless you are authorized and your job duties require you to do so. We must maintain the trust CareFirst members and employees place in us by keeping their information confidential.

Our policies and procedures include legal requirements that we must follow when working with PHI. You must immediately report any inappropriate use or disclosure of PHI to the CareFirst Privacy Office, using the [Report a Privacy Incident](#) form on [InsideCareFirst](#). If you have questions about the form, contact the CareFirst Privacy Office at 800-853-9236 or privacy.office@carefirst.com.

[Corporate Governance Policy, PRV 100.01 Individual Rights Policy](#)

[Corporate Governance Policy, PRV 100.08 Privacy Best Practices](#)

WHAT ARE SOME EXAMPLES OF PHI?

- Name, birth date, address, telephone number, other individually identifiable information
- Health status
- Medical history
- Provider/facility information
- Social Security number/certificate number
- Medical claim information
- Diagnosis codes
- Medical record number
- Medical plan identification or beneficiary number

Confidential information about our members—Personally Identifiable Information

Personally Identifiable Information (PII) is information that can be used to distinguish or trace an individual's identity.

Examples include name, Social Security number, credit card number, and bank account number. An individual's date and place of birth, mother's maiden name, and similar information can also be PII when used in combination with other PII.

The loss of PII can result in substantial harm to individuals, including identity theft. CareFirst employees and contingent workers may have access to PII and other sensitive data concerning our members, employees, providers, brokers, agents, and other individuals with whom CareFirst does business. We have a special responsibility to protect that information from inappropriate use or disclosure.

You must immediately report any inappropriate use or disclosure of PII to the CareFirst Privacy Office, using the [Report a Privacy Incident](#) form on [InsideCareFirst](#). If you have questions about the form, contact the CareFirst Privacy Office at 800-853-9236 or privacy.office@carefirst.com.

Security of confidential information

In order to protect confidential information, CareFirst has implemented detailed security policies and procedures.

You must follow CareFirst's policies, procedures, standards, and guidelines related to security controls at all times, at all work sites, and while teleworking from non-CareFirst sites. Security controls must be followed anywhere you conduct CareFirst business or use CareFirst assets, for example, while checking your email at the airport or on a train.

It is your responsibility to protect the integrity and confidentiality of CareFirst data when you send it electronically. When sending confidential information in an email to an external source, you must encrypt the message using email security protocols and procedures put in place by the Cybersecurity team. Never include confidential information or attachments containing confidential information in an instant message (IM), text messaging, or calendar invitation. You are not permitted to use online file storage sites (e.g., Dropbox.com, Box.com), external media (e.g., USB thumb drives), or any other methods to externally transfer CareFirst information or data without prior approval.

For more detailed information on the use of secure email, refer to the *Use Secure Emails* section of the Cybersecurity page located on [InsideCareFirst](#).

[Information Technology Policy, IT 100.02 IT Equipment Use Policy](#)

[Information Technology Policy, IT 200.5 Media Protection Policy](#)

[Information Technology Policy, IT 100.04 Electronic Communications Policy](#)

[Corporate Governance Policy, PRV 100.06 Privacy and Security Corrective Actions Policy](#)

[Corporate Governance Policy, PRV 100.08 Privacy Best Practices Policy](#)

Practical tips for protecting data security

- Store hard-copy information in a secure location in your office.
- Destroy hard-copy documents appropriately.
- Store electronic information in appropriately secured locations on CareFirst systems and not personal devices or accounts.
- Lock your workstation and mobile device when not in use.
- Ensure your system login and password are secure and do not share them.
- Ensure your employee badge is secure and do not let others use it.
- Ensure information is disclosed only to those authorized to receive or access it.
- Do not discuss confidential information in public where it might be overheard.

WHAT CAN I DO TO MAKE SURE I AM PROTECTING CAREFIRST INFORMATION?

Slow Down—Rushing can cause mistakes. Slow down and pay attention.

Confirm—Double-check to whom you are sending information.

Limit Data—Limit what you send to others. Do not send data without reason.

Password Protect—Send all attachments using password protection protocols.

Encrypt Emails—All emails containing PHI/PII must be encrypted and sent securely.

Be Aware—Lock your computer when not in use. Shred sensitive documents.

Password and access codes

You may not share your CareFirst system passwords or access codes with anyone.

[Information Technology Policy, IT 200.01 Logical Access Control Policy](#)

[Information Technology Policy, IT 200.02 Identification, Authentication, and Authorization Policy](#)

Social media

You are expected to comply with all CareFirst policies whenever you access or use social media on CareFirst's equipment or networks. You also must comply with our policies if your social media post identifies your CareFirst affiliation or relates in any way to CareFirst and its business, employees, or members.

When using social media, if you express any opinion regarding CareFirst's business, products, programs, or healthcare-related topics, you must:

- Disclose your employment relationship with CareFirst; and
- Make it clear that the opinions expressed are yours alone and not authorized or approved by CareFirst.

When using social media, you may not discuss or disclose CareFirst's confidential, proprietary, and/or financial information or any PHI or PII learned through your job duties with the Company.

All access or use of social media through CareFirst systems or in connection with CareFirst business must be conducted with the highest integrity and honesty at all times and with the intent to maintain the image, mission, brand, and strategic objectives of CareFirst.

[Human Resources Policy, HR 1100.06 Social Media](#)

CHAPTER 4:

USING COMPANY ASSETS

We must protect CareFirst's assets. We should only use CareFirst funds, equipment, and other assets to conduct business in a professional, productive, and ethical way.

CareFirst assets include both CareFirst funds and CareFirst property. They include every physical item (paper, pens, clips, staplers, etc.) and electronic system as well as liquid assets such as cash, checks, and wire transfers.

Company assets may not be used for:

- Any illegal activity;
- Personal gain;
- Solicitation of personal business;
- The sale of any services or products other than CareFirst's;
- The public advancement of individual views;
- Harassment of any type;
- Creating, viewing, receiving, sending, or downloading chain emails, including jokes;
- Sexually explicit materials; and/or
- Communications that are threatening or intimidating.

CareFirst property should not be sold, loaned, given away, or otherwise disposed of except with proper authorization. You must return all CareFirst property immediately upon request or upon termination of employment.

You are personally accountable for CareFirst funds over which you have control. If you spend CareFirst money, or personal money that will be reimbursed, you should always be sure that CareFirst receives appropriate value in return. You are also personally responsible for maintaining the appropriate documentation regarding the use of CareFirst funds.

[Human Resources Policy, HR 800.07 Company Property](#)

[Finance Policy, FIN.09 Expenditure Approvals](#)

[Finance Policy, FIN.10 Associate and Board Member Travel and/or Expense Reporting](#)

WHAT ARE SOME EXAMPLES OF COMPANY ASSETS?

- Company time
- Documents, data, and records
- Cash and checks
- Buildings and furniture
- Office supplies
- Computer hardware and software
- Cell phones
- Copiers
- Email, internet, and intranet access
- Intellectual property
- Proprietary information

Software

You may not copy or use any software on CareFirst's computers, other electronic assets, or computer networks unless authorized by CareFirst.

[Information Technology Policy, IT 300.02 Desktop Software and Services Acquisition and Installation Policy](#)

Electronic assets

We use a wide variety of equipment every day to do our jobs. Email, internet, intranet, telephone, voicemail system, instant messaging, fax equipment, and other electronic means are CareFirst assets to be used for legitimate business purposes or for purposes approved by your people leader.

You do not have an expectation of privacy in the CareFirst electronic messaging systems used during your employment. CareFirst has the right to review, copy, audit, investigate, intercept, access, and disclose any use of the CareFirst computer, email, instant messaging, telephone, and internet systems, including messages created, received, or sent for any purpose. Access by leadership is permitted without your consent and without giving prior notice. Employees should be aware that keeping personal files on CareFirst computer drives is not advised.

[Human Resources Policy, HR 1100.05 Company Telephone Monitoring and Electronic Recording](#)

[Information Technology Policy, IT 100.02 IT Equipment Use Policy](#)

Accurate record-keeping and financial reporting

Our customers, business partners, and the government depend on our honest and diligent record-keeping. We are all responsible for ensuring that the financial and operational information we record and report as part of our daily job duties is truthful, accurate, and timely entered. This includes the time you have worked, your business expenses, production or performance data, financial statements, sales reports, utilization data, and any other business related activities for which you record or report data.

Failure to maintain and provide accurate financial or operational information in connection with certifications of government contracts could expose CareFirst and the employees signing the certifications to severe civil and criminal penalties.

You must not alter data, make any false, misleading, or inaccurate oral or written statements or entries into corporate records or reports, or take any action to fraudulently influence, coerce, manipulate, or mislead any independent, public or certified accountant or any accountant or auditor employed by us, in connection with:

- Any audit or examination of CareFirst's financial records;
- The preparation of any report or filing; or
- Any review of CareFirst's internal control structure.

[Human Resources Policy, HR 400.03 Timekeeping](#)

[Finance Policy, FIN.10 Associate and Board Member Travel and/or Expense Reporting](#)

Using Artificial Intelligence (AI)

CareFirst only allows designated employees and contingent workers to use Artificial Intelligence ("AI") software (i.e., Chatbots, Large Language Models and ML's) that have been selected and approved by the company for the performance of their job responsibilities. CareFirst is committed to ensuring that AI systems and platforms are used in a manner that aligns with the company's values, adheres to legal and regulatory standards, and promotes the safety and well-being of our employees and members.

Employees and contingent workers must use AI systems responsibly and ethically, avoiding any actions that could impermissibly harm others, facilitate malicious activities, or otherwise violate CareFirst policies and standards. Employees and contingent workers must be transparent about the use of AI in their work, ensuring that stakeholders are aware of the technology's involvement in decision-making processes. All AI generated content must be reviewed for accuracy before relying on it for work purposes. AI technology users are held responsible for outcomes generated by AI systems.

Fraud, waste, and abuse

CareFirst understands the importance of preventing, detecting, investigating, and mitigating all allegations of fraud, waste, and abuse. We are committed to protecting and preserving the integrity of healthcare resources and taxpayer dollars. Fraud, waste, and abuse related to our business operations are strictly prohibited.

- Fraud involves deliberate deception. It includes acts of deceit, trickery, or design used to obtain or deprive others of money or property. Fraud may be committed by our business partners, providers, or members as well as by employees or contingent workers.
- Waste refers to practices that result in unnecessary costs and inefficiencies, such as where taxpayers do not receive reasonable value for their money in connection with government funded activities.
- Abuse refers to any activities inconsistent with generally accepted business, medical, or fiscal standard practices that can result in unauthorized benefits to the abuser.

For more information on how fraud, waste, and abuse affect CareFirst business with the government, refer to *Chapter 7: Conducting Business with the Government*.

CareFirst maintains a comprehensive Anti-Fraud Plan designed to prevent, detect, investigate, and resolve all allegations of fraud, waste, and abuse.

Provisions in the CareFirst Confidentiality, Proprietary, and Intellectual Property Statement, CareFirst policies and the Code regarding maintaining confidentiality do not prohibit employees or contingent workers from reporting fraud, waste, and abuse matters to the Special Investigations Unit or the appropriate government oversight agencies.

Any actual or suspected instances of fraud, waste, or abuse should be reported immediately to the Special Investigations Unit at SIU@carefirst.com or the Anti-Fraud & Abuse Hotline at **800-336-4522** or **410-998-5480**.

[CareFirst, Inc. Anti-Fraud Plan, SI.10](#)

Insider trading

Our investment in companies with which CareFirst has business or investment relationships may pose ethical and legal issues. Although CareFirst is not a publicly traded company, members of the Board of Directors, officers, leadership, and employees must comply with insider trading laws. While conducting business, we may become aware of non-public or “inside” information about other companies that may be material to or influence an investor’s decision to buy or sell securities.

If you become aware of such information, you may not use it to buy or sell securities of that company. You also may not share that information with anyone outside of CareFirst without a legitimate business need, and within CareFirst, you may only discuss the information with those who need to know about it to perform their jobs.

Record retention and destruction

We must retain, retrieve, or destroy all business records in strict compliance with the law and our own Corporate Records Retention Policy. The policy applies to all documents created or received by CareFirst.

You may not destroy or dispose of CareFirst records at your own discretion. Records must be maintained in accordance with the policy and not destroyed before the Company’s prescribed retention period has expired.

Do not alter or destroy records relevant to pending or threatened litigation, a government or internal investigation, or an audit. Destruction, alteration, or falsification of records to avoid disclosure in a legal proceeding, government investigation, or audit may constitute a criminal offense or may subject CareFirst to adverse legal consequences.

[Corporate Services & Real Estate Administration Policy, CSRE 100.01 Corporate Records Retention Policy](#)

[Corporate Governance Policy, LEG.02 Litigation Holds](#)

CAREFIRST INVESTIGATES ALL ALLEGATIONS OF FRAUD, WASTE, AND ABUSE, INCLUDING BUT NOT LIMITED TO:

- Provider and member claims
- Over- or under-utilization
- Misrepresentations of member information
- Misuse of corporate assets
- Improper changes to company records or financial statements
- Other forms of fraud

CHAPTER 5:

CONFLICTS OF INTEREST

We should always act in CareFirst's best interests. Our personal situations, interests, or preferences and those of our family and friends should not influence us when acting or making decisions on behalf of CareFirst.

A conflict of interest occurs when you are in a position to be improperly influenced, or appear to be influenced, by your private interests when performing your CareFirst job. A conflict can arise when an activity or relationship makes it difficult to perform your work in an objective manner. Even the appearance of a conflict could cause our customers or business partners to question our motives.

For more detailed information on Conflicts of Interest, refer to the [CareFirst Ethics & Compliance FAQs: Conflict of Interest Disclosure Statement and Compliance Certification Process](#)

Conflict of interest—disclosure

All employees, contingent workers, and members of the Board of Directors must complete a Conflict of Interest Disclosure Statement each year. The Chief Ethics & Compliance Officer, along with executive leadership, reviews identified actual, potential, or perceived conflicts of interest.

If there is any change in your personal situation or relationships during the year, you must notify your supervisor and contact the Ethics & Compliance Office to update your Conflict of Interest Disclosure Statement.

It is not unusual or necessarily wrong to have a conflict of interest. It is important to disclose any potential conflict, however, and allow CareFirst to manage the conflict properly.

[Corporate Governance Policy, CE 100.07 Conflict of Interest](#)

[CareFirst Ethics & Compliance FAQs: Conflict of Interest Disclosure Statement and Compliance Certification Process](#)



HOW DO I KNOW IF I HAVE A CONFLICT OF INTEREST?



All of the above situations are potential conflicts of interest.

If you are not sure if your situation is a potential conflict of interest, please contact the [Ethics & Compliance Office](#).

Conflict of interest—personal financial interests

You must avoid any situation in which your personal financial interest, or that of a family member, conflicts or even appears to conflict with CareFirst's best interests.

Financial interest or financial relationships may arise from:

- Employment;
- Investments;
- Ownership;
- Consulting or other contractual agreements; and/or
- Membership in a governing body (e.g., board memberships).

You must disclose a financial relationship with any vendor or supplier that does business with, seeks to do business with, or competes against CareFirst.

A financial relationship with a vendor/supplier means that:

- You, or your family member, work for, provide services to, or represent the vendor/supplier; or
- You, or your family member, have a significant financial interest in the vendor/supplier.

If you, or your family member, have a vendor/supplier relationship and you are in a position to influence CareFirst decision-making regarding the review or the selection of that vendor/supplier, you must:

- Disclose your relationship to management; and
- Remove yourself from any involvement in the review or selection processes.

[Corporate Governance Policy, CE 100.07 Conflict of Interest](#)

Conflict of interest—outside employment and other activities

When it comes to work, CareFirst must be your first priority. You must disclose any outside job, business, or board membership. Any activities such as a second job or personal business must not conflict with your obligations to CareFirst.

You may not use Company time, name, influence, assets, facilities, materials, or the services of other employees for or in connection with any outside employment or other activities.

To ensure you avoid a potential conflict, you must notify your people leader prior to accepting any outside employment.

[Corporate Governance Policy, CE 100.07 Conflict of Interest](#)

Conflict of interest—immediate relatives and members of the same household

We may hire your immediate relative or member of your household as long as an actual, potential, or reasonably perceived conflict of interest is not created. To avoid conflicts of interest, relatives or members of the same household may not work:

- Under the same immediate people leader;
- In a people leader/subordinate or other close reporting relationship; or
- In positions which could compromise internal controls or otherwise affect either party's work, salary progress, performance, and/or promotion.

This includes interns and contingent workers (contractor consultants) who are employed by staffing agencies.

CareFirst policy prohibits Executives (Vice Presidents and above) and members of the Board of Directors from having any relative or member of their household employed at CareFirst in any capacity including contingent workers, even if employed by an agency. This prohibition does not apply in those instances where the relative or member of the same household is employed at CareFirst prior to the appointment of the Board of Directors member, the hiring of the Executive, or the promotion of an employee to an Executive position.

For a definition of the term "relative" and further details, refer to [Human Resources Policy, HR 300.06 Employment of Immediate Relatives and Members of the Same Household](#).

[Corporate Governance Policy, CE 100.07 Conflict of Interest](#)

Conflict of Interest Dos and Don'ts

DO:

- ✓ Promptly disclose any potential conflicts to your people leader.
- ✓ Remove or recuse yourself from activities, discussions, or decision-making processes in which you may have a personal interest or bias.
- ✓ When engaged in outside activities, remove or recuse yourself from any activities, discussions, or decision-making processes that might conflict with CareFirst's interest.
- ✓ Put the interest of CareFirst above any outside activity.
- ✓ Consult with the Ethics & Compliance Office when in doubt.

DON'T:

- ✗ Use CareFirst assets for personal activities.
- ✗ Allow outside activities to interfere with your time at work.
- ✗ Perform duties for a second job that are the same as those you perform for CareFirst.
- ✗ Compete with CareFirst by supporting, working or consulting for, or serving on the board of a competitor.
- ✗ Seek to profit from information, knowledge, or business opportunities learned in the course of your work for CareFirst.
- ✗ Work directly for or as a people leader of a relative or close personal friend.

Conflict of interest—personal relationships

Conflicts of interest occur if the employment, promotion, or transfer of someone with whom you have a personal relationship would create:

- A people leader/subordinate or other close reporting relationship; or
- The appearance of any other potential or actual conflict of interest.

If an employee in a leadership position is in a personal relationship with a subordinate, they must disclose this to their people leader. People leaders and HR will evaluate each situation and take appropriate action, if necessary.

Corporate opportunities

You may not profit from business opportunities learned in the course of your job at CareFirst. Always contact the Ethics & Compliance Office when you need guidance related to business opportunities that you believe might pose a conflict of interest.

[Corporate Governance Policy, CE 100.07 Conflict of Interest](#)

Political activity and political contributions

When you engage in political or civic activities as an individual, you must be clear that the views you express are yours and not CareFirst's.

If you run for elected office, the time spent campaigning or performing the duties of the post must be your own time, whether PTO or unpaid leave.

Before you seek an elected office or accept an appointed office, you should notify your leadership and disclose the activity on your Conflict of Interest Disclosure Statement. You should indicate whether the duties of the office sought will require absence from work, affect your job performance in any way, or create a conflict of interest for the Company.

Certain restricted employees may not make any personal political contributions to certain elected officials, political committees, or constituent service programs in the District of Columbia. You may not use CareFirst funds to make personal political contributions. You may not use CareFirst property, facilities, or the work time of CareFirst employees for your personal political activities. Such use is considered a "political contribution" by the Company and may be illegal.

You may not include any personal political contributions on an expense statement or in any other way seek CareFirst reimbursement for that expense.

CareFirst prohibits conducting or participating in any political fundraising activities for political candidates or elected officials on CareFirst premises. CareFirst may host educational sessions or debates and may invite candidates or elected officials to speak if those events do not include fundraising for political candidates.

[Human Resources Policy, HR 1100.03 Political Activities and Civic Involvement](#)

Corporate political contributions

All corporate political contributions are made and approved only by the Senior Vice President, Public Policy & Government Affairs. No other employee has the authority to make or approve a corporate political contribution.

Corporate political contributions include contributions or the payment of membership fees to an association whose main purpose is to engage in political activity.

[Public Policy & Government Affairs Policy, PPGA 100.02 Corporate Political Contribution Policy](#)

CareFirst Political Action Committee (PAC)

CareFirst has organized and supports a Political Action Committee, pursuant to federal and state laws. This Committee seeks voluntary contributions from CareFirst employees, members of the CareFirst, Inc., Group Hospitalization and Medical Services, Inc. and CareFirst of Maryland, Inc. board of trustees or directors identified as appropriate under federal and/or state law to support political candidates. Such contributions are completely voluntary, with no Company pressure to contribute. Giving to the PAC does not constitute a corporate political contribution.

[Human Resources Policy, HR 1100.03 Political Activities and Civic Involvement](#)

[Public Policy & Government Affairs Policy, PPGA 100.03 Political Action Committee Policy](#)

WHEN YOU PARTICIPATE IN PERSONAL VOLUNTEER POLITICAL FUNDRAISING OR OTHER POLITICAL ACTIVITIES:

- Do not conduct the activity on Company time or Company equipment;
- Do not ask or require any CareFirst employee to make a political contribution of any kind to any political candidate;
- Do not ask or require any CareFirst employee to assist with political activities;
- Do not use CareFirst stationery, letterhead, postage, or email systems;
- Do not use a CareFirst return mail or email address or a CareFirst business telephone number;
- Do not type letters and political communications while at work;
- Do not collect political contributions on CareFirst property; and/or
- Do not hold political fundraisers on CareFirst property.

Lobbying/contacting elected officials, regulators, or governmental agencies

CareFirst adheres to all federal and state laws and regulations regarding contacting or lobbying elected officials, regulators, and state government agencies.

You may not conduct any political activity in CareFirst's name. This includes attending events, volunteering, or contributing to candidates, political parties, and other non-CareFirst PACs. There are times when you may have a legitimate CareFirst business need to meet with an elected official, regulator, or government agency. For example, if you work in sales, you may need to discuss an insurance product offering. Employees must take caution to ensure the engagement is not related to a policy matter. If, however, you are contacting any of these groups outside an official capacity with CareFirst, you must let it be known that you are expressing your own political views and not those of CareFirst.

[Human Resources Policy, HR 1100.03 Political Activities and Civic Involvement](#)

Public relations and communications

To ensure the accuracy of information provided to the public about CareFirst, you must not make any statement (written or verbal) on behalf of CareFirst or in your role as an employee to media (reporters, journalists, etc.), news publications, trade publications, or any other media source.

You are not authorized to speak on behalf of CareFirst without prior approval from the CareFirst Public Relations department. Refer all inquiries from the media about CareFirst to the CareFirst Public Relations department.

[Marketing Policy, MKTG 300.01 Media Policy](#)

Public speaking

All public speaking engagements including in-person, virtual, and pre-recorded sessions must be pre-approved by the CareFirst Public Relations department and a member of leadership at the director level or above. In addition, if you reasonably expect public media to be present at your speaking engagement, you must obtain prior approval from the CareFirst Public Relations department. All presentations associated with public speaking engagements must be reviewed by the Public Relations department after approval is granted to participate in the engagement.

[Marketing Policy, MKTG 800.12 Public Relations, External Content Development, and Third-Party Endorsement/Promotion Policies](#)

[Marketing Policy, MKTG 300.01 Media Policy](#)

Publishing articles

CareFirst requires that you do not identify yourself or be named and quoted as a CareFirst employee in a published article or other published work without prior approval from the CareFirst Public Relations department. This includes serving as a source in an article or news story through being interviewed as a subject matter expert or in your role/capacity at CareFirst. This also includes drafted commentary pieces submitted to news outlets or self-published blogs. Prior to submitting a commentary piece or self-publishing a blog that references you as a CareFirst employee, you must get approval from the CareFirst Public Relations department. Employees and contingent workers must work with the CareFirst Public Relations department in instances where you may be identified in a published work.

[Marketing Policy, MKTG 800.12 Public Relations, External Content Development, and Third-Party Endorsement/Promotion Policies](#)

[Marketing Policy, MKTG 300.01 Media Policy](#)

Non-endorsement policy

CareFirst and its employees may not endorse any other companies with whom we do business. Only an Officer of the Company, in conjunction with Public Relations and the Office of Corporate Counsel, can approve exceptions to our non-endorsement policy on a case-by-case basis.

The CareFirst Public Relations department must review and approve any public acknowledgment of the Company's use of a specific product or service. This includes any other requested testimonial, release, or documented case whereby we confirm a business relationship and/or endorsement of a particular product or service.

[Marketing Policy, MKTG 300.01 Media Policy](#)

[Strategic Marketing & Product Development Policy, MGA.06 Brand and Logo Use and Approval](#)

[Marketing Policy, MKTG 800.12 Public Relations, External Content Development, and Third-Party Endorsement/Promotion Policies](#)

Award policy

All external nominations and awards that relate to CareFirst's business, products, or personnel must be pre-approved by the CareFirst Public Relations department. All nominations must receive approval prior to drafting and must be reviewed before submission. In addition, the Public Relations department must be included in subsequent award deliverables and requirements for award acceptance.

[Marketing Policy, MKTG 800.12 Public Relations, External Content Development, and Third-Party Endorsement/Promotion Policies](#)

Podcast/Videos policy

CareFirst requires that you do not identify yourself or be named and quoted as a CareFirst employee in any external-facing podcasts or videos without prior approval from the CareFirst Public Relations department, a member of leadership, and Office of Corporate Counsel. Employees and contingent workers must work with the CareFirst Public Relations department in instances where you may be identified in a published podcast or video. Similarly, CareFirst employees and contingent workers are not permitted to create a podcast or video mentioning the organization without notifying the CareFirst Public Relations department and CareFirst Product and Brand Marketing department to receive appropriate approvals from CareFirst leadership, and legal.

[Marketing Policy, MKTG 800.12 Public Relations, External Content Development, and Third-Party Endorsement/Promotion Policies](#)



CHAPTER 6:

CONDUCTING CAREFIRST'S BUSINESS

CareFirst supports competition based on quality, service, and price. We should never attempt to gain a competitive advantage through the use of illegal, unethical, or improper business practices. We must always represent CareFirst and its products fairly and accurately and refrain from making any misleading statements to our customers or business partners.

Customer relations

Our customers are our number one priority. The Company succeeds only when we serve our customers well.

Satisfying customer needs requires everyone's participation.

- We treat our customers with courtesy and respect and attempt in good faith to meet their needs.
- We provide proper, effective, and timely information and solutions.
- We act as One Company, One Team with a unified message and consistent policies and services.
- We avoid any conduct that interferes with operations or harms the Company's business reputation.

Employee relations

Cooperation within and among departments is key to CareFirst's success.

- We honor another division or department's request for information, documents, or other assistance in a timely manner.
- We are professional and respectful in our day-to-day dealings with other employees.
- We pay attention to the quality and value of our communications.
- We do not participate in inappropriate or intimidating conduct that interferes with the job performance of fellow employees.

[Human Resources Policy, HR 800.05 Respectful Workplace Conduct](#)



Community health, social impact, and sustainability at CareFirst

CareFirst has been committed to being a force for good since 1934. Our community health and social impact strategy is driven by our mission of delivering accessible and affordable care for our employees, members and communities. This approach is rooted in the understanding that health begins early and is influenced by social, economic and physical factors.

At CareFirst, we believe health equity means that everyone has a fair and just chance to be as healthy as possible. To achieve health equity, we focus on removing obstacles to good health, such as racism, poverty, and discrimination.

CareFirst applies an equity lens to our community investments to address social determinants and drive health equity across a wide range of priorities. These priorities include economic inclusion, educational opportunities, behavioral health, chronic conditions, accessible, affordable, high-quality care and social responsibility and impact.

Employees may not commit CareFirst to a contribution without Community Health and Social Impact's prior approval. If an employee requests the Company make a contribution, any known relationships with the proposed recipient including relationships of family members and members of your household must be disclosed.

In addition to our corporate philanthropy, our "One Company, One Team" culture invites all employees to make a difference in the communities where we live, learn, work, play and seek care. Employees are encouraged to participate in volunteer activities that improve the community and address wider social and environmental issues.

To further support the community we serve, CareFirst encourages employees to give not only their time and talent, but also their treasure. Year after year, our Difference Makers have an immense impact on the health and wellness of our community through participation in corporate campaigns and partnerships, including:

- Special Olympics Polar Plunge
- United Way Giving Campaign
- American Heart Association Heart Walk

CareFirst is conscious of and dedicated to healthy environmental stewardship. We seek every opportunity to impact our community and environment through corporate sustainability measures. We have reduced our office workspace to shrink our energy and water

consumption. We have instituted several programs to limit printing and mailings to a fraction of what it was in years past. We stress sustainability methods with our building operators and strategic partners hoping that they, too, are aware of the global impact of their actions. CareFirst maintains our diligence in utilizing our corporate recycling program, as well as setting impact goals for water and waste reduction. Our impact is growing as we plan for a future that reflects the needs of our employees and our environment.

[Health Services Policy, HS 100.01 CareFirst Charitable Contributions Policy](#)

[Human Resources, HR 1100.07 Volunteer Time Off](#)

[Corporate Governance Policy, CE 100.01 Code of Ethical Business Conduct and Compliance Investigations](#)

[Corporate Governance Policy, CE 100.07 Conflict of Interest](#)

Gifts and special courtesies—acceptance

Gifts and favors from people who do business or seek to do business with CareFirst may impair or affect your objectivity in performing work responsibilities. CareFirst seeks to avoid even the appearance of any improper influence related to business decisions.

As a general rule, you and your family members may not accept or solicit:

- Gifts of cash or cash equivalents (such as gift certificates/gift cards) under any circumstance; or
- Non-monetary gifts, gratuities, personal benefits, favors, or any other business courtesies offered to influence any act or decision or to secure any improper advantage from suppliers, contractors, vendors, providers, agents, brokers, accounts, subscribers, or other firms or individuals doing business with, or seeking to do business with, the Company.

Gifts and gratuities include presents, services, discounts, bargain purchases, vacations, and other things of value. If you receive a gift or become aware beforehand that a gift may be sent, you must politely explain that our policy does not permit acceptance of the item and return or decline it.

You may receive occasional holiday gifts or gifts relating to routine customer service provided as an expression of normal business courtesies. Such gifts must be:

- Infrequent;
- Unsolicited;
- Of nominal value or of an advertising or promotional nature;
- Received or offered without any intent or prospect of improperly influencing your business decision-making;
- Given openly and transparently without any appearance of impropriety;
- Provided in a manner that would not result in embarrassment to CareFirst if publicly disclosed; and
- Permissible under all applicable laws, regulations, and rules.

Gifts of cash or cash equivalents (gift certificates/gift cards) are prohibited under all circumstances.

[Corporate Governance Policy, CE 100.08 Gifts, Gratuities, Travel and Entertainment](#)

Gifts and special courtesies—offering

We may not use gifts or special courtesies to improperly influence current or prospective customers.

No payments or offer of benefits of any kind may be made to current or prospective customers as an inducement to buy our Company's products or services.

Employees may offer standard, branded CareFirst marketing items and benefits that comply with state and federal laws and regulations and that are available to all customers in similar circumstances on an equal basis.

Gifts or courtesies intended for the personal use of an individual should not be offered to firms, accounts, or individuals who do business with CareFirst. For further guidance, refer to the [FAQs for Gifts, Entertainment, Travel, Prize Items, Raffles, Honorariums, and Relationships with Pharmaceutical Manufacturers](#) or contact the Ethics & Compliance Office.

[Corporate Governance Policy, CE 100.08 Gifts, Gratuities, Travel and Entertainment](#)

Business entertainment

When you accept business entertainment, the external business representative or vendor must be present with you at the event or activity. If that is not the case, the entertainment is not allowed. Likewise, if you offer business entertainment to an external business partner, a CareFirst employee must be present at the event or activity. We must always display socially appropriate behavior during business entertainment events.

In addition, any entertainment that is offered or accepted should be:

- A legitimate extension of a business relationship;
- Reasonable in nature and value;
- Consistent with local business practices; and
- Infrequent, meaning that, it should not occur on a regular basis, regardless of the amount.

Business entertainment includes, but is not limited to:

- Meals;
- Sporting events;
- Cultural or charitable events; and/or
- Other events where business matters are discussed, but where it is apparent that the event is not intended solely as a business meeting.

If the business entertainment involves travel and lodging, CareFirst will reimburse such expenses if approved by your people leader. Employees may not accept travel or lodging expenses from any Third Party.

[Corporate Governance Policy, CE 100.08 Gifts, Gratuities, Travel and Entertainment](#)

[Finance Policy, FIN.10 Associate and Board Member Travel and/or Expense Reporting](#)

HOW DO I KNOW IF THE VALUE OF A GIFT IS “REASONABLE AND CUSTOMARY” AND THEREFORE ACCEPTABLE?

Ask yourself both whether the gift is significant to you personally and whether it would appear significant to others. Cash or cash equivalents of any value are never acceptable. Consult the chart below for guidance, and contact the Ethics & Compliance Office whenever in doubt.

Reasonable and customary



Gifts from vendors, suppliers, or customers such as: baskets of fruit, candy or snacks to be shared, small floral arrangements.



Vendor offers you tickets to a local sporting or cultural event and **the vendor is attending.**



Mugs, plastic cups, water bottles, badge holders, pens, key rings, post-its, totes, small stuffed animals, small inexpensive picture frames, and folding umbrellas with the supplier's logo.

Unacceptable



Gift cards or gift certificates.



Vendor offers you tickets to a local sporting or cultural event **but vendor is not attending.**



iPads, cash, a personal gift such as a piece of fine jewelry or crystal.

Conference travel and fees

We prohibit any outside entity or individual, including those who do business or seek to do business with CareFirst, to pay your expenses to attend a conference or seminar. This includes any offers of discounted conference fees, reimbursement for travel, meals, lodging expenses, or offers of gifts or prizes.

CareFirst will reimburse you for your attendance at a conference or seminar if there is a business reason for you to attend pursuant to CareFirst policy and procedures and if you have received prior approval from your people leader.

If you are presenting or speaking at a conference or seminar, generally the conference or seminar fee can be waived if the fees are also being waived for other presenters/speakers. In such instances, only the registration fee can be waived. All other costs, including travel, meals, or lodging must be paid for by CareFirst.

[Corporate Governance Policy, CE 100.08 Gifts, Gratuities, Travel and Entertainment](#)

[Finance Policy, FIN.10 Associate and Board Member Travel and/or Expense Reporting](#)

For more information about this section, read the FAQs for Gifts, Entertainment, Travel, Prize Items, Raffles, Honorariums, and Relationships with Pharmaceutical Manufacturers found on insidecarefirst.com/compliance.

Government programs—gifts and entertainment

If you work for a business unit administering a government program, you are accountable for knowing and complying with your business unit's policy on gifts and business entertainment, as stricter rules apply.

Federal and state laws regarding gifts, gratuities, and payments to government employees must be strictly observed. No payments of money, gifts, services, entertainment, or anything of value may be offered or made available in any amount, directly or indirectly, to or from any federal, state, or local government official or employee. This includes any vendor currently participating in an active procurement, agent, provider, consultant, or governmental official affiliated with government health programs such as Medicare, Medicaid, or the Federal Employee Health Benefit Program (FEHBP), which includes the Federal Employee Program (FEP), the FEHBP HMO (commonly referred to as ND 50) and the Postal Service Health Benefit Program.

Employees may offer standard CareFirst-branded marketing items and benefits that comply with federal and state laws and regulations and that are available to all customers in similar circumstances on an equal basis.

The sole exception to these restrictions is the CareFirst Commitment program and community public relations events, under the direction of the Executive Vice President, Public Policy & Government Affairs.

[Corporate Governance Policy, CE 100.09 Fair Business Practices](#)

[Corporate Governance Policy, CE 100.10 Conducting Business with the Government](#)

Business relationship with pharmaceutical manufacturers

To the extent possible, CareFirst seeks to comply with the Pharmaceutical Research and Manufacturers of America's (PhRMA) voluntary Code on Interactions with Healthcare Professionals, which imposes significant restrictions on the acceptance of items from pharmaceutical companies.

As a result, you may not accept items or entertainment from pharmaceutical representatives if their use would not advance disease or treatment education, even if they are small items of nominal value such as pens or notepads.

[Corporate Governance Policy, CE 100.08 Gifts, Gratuities, Travel and Entertainment](#)

Honorarium

Occasionally, a Third Party may ask you to make a presentation, participate on a panel or focus group, or participate in other such activities related to the work you do for CareFirst. Compensation for these types of activities is often referred to as an honorarium. Our Company does not allow you to personally accept honoraria for such participation. Refer to the FAQs for Gifts, Entertainment, etc., to see how a charitable donation can be made instead.

[Corporate Governance Policy, CE 100.08 Gifts, Gratuities, Travel and Entertainment](#)

Foreign Corrupt Practices Act

Bribes of all forms are prohibited. The Foreign Corrupt Practices Act (FCPA) prohibits the corrupt offer, promise, authorization, or payment of anything of value to a foreign official in order to obtain or retain business or to secure an improper business advantage. This can include gifts, kickbacks, meals, entertainment, "grease" payments, unlawful political or charitable contributions, and anything else that might be passed on to someone involved in a business decision-making process.

Under no circumstances may anyone make an improper payment or bribe on behalf of CareFirst. Instead, employees and any vendors/suppliers working for CareFirst must reject any inappropriate requests, explain that CareFirst policy forbids making such payments, and immediately report the incident to the Office of Corporate Counsel or the Ethics & Compliance Office.

Before engaging in any activity with foreign officials or their representatives, either directly or through a Third Party such as a vendor/supplier, contact the Office of Corporate Counsel for assistance.

[Corporate Governance Policy, CE 100.08 Gifts, Gratuities, Travel and Entertainment](#)

Kickbacks, rebates, bribes, or other improper payments

We may not accept favors or incentives from potential or existing business partners in exchange for our business decisions. Nor may we offer favors or incentives to potential or existing customers as an inducement to purchase or remain enrolled in any of our products. These practices are not only unethical, but often are illegal as well. If you or a family member stand to gain personally from the deal, it is generally prohibited.

Illegal kickbacks or rebates are not limited to cash or credit but can take many forms such as:

- Gifts, entertainment, services;
- Special favors or benefits under a contract; or
- Anything else that would be attractive to the recipient and offered with the intent to improperly influence a decision.

A gift may be a kickback unless it complies with CareFirst's policy on the offer or acceptance of gifts. Employees may offer standard, CareFirst-branded marketing and promotional items and benefits that comply with federal and state laws and regulations and are available to all customers on an equal basis.

[Corporate Governance Policy, CE 100.09 Fair Business Practices](#)

[Corporate Governance Policy, CE 100.08 Gifts, Gratuities, Travel and Entertainment](#)

*A **kickback** means to willfully offer, receive, request, or pay anything of value in order to induce or reward referrals of business including goods and services.*

Antitrust laws

Federal and state antitrust laws prohibit certain coordinated activities between competitors. Violations of these laws can expose companies and individuals to significant civil and criminal penalties. You should seek guidance from the Office of Corporate Counsel before engaging in any coordinated activity with any other entity.

Agreements with competitors

You may never agree, or even appear to agree, with competitors to limit how CareFirst competes. Examples of agreements that may be illegal include:

- **Price fixing**—Competitors may not agree to set the prices they will charge for their products or services.
- **Boycotts**—Competitors may not agree to not do business with a particular entity or individual.

IF A COMPETITOR VOLUNTEERS COMPETITIVELY SENSITIVE INFORMATION TO YOU AT A SOCIAL GATHERING OR INDUSTRY EVENT, YOU MUST:

- Object openly;
- End the conversation; and
- Promptly report the incident to the Office of Corporate Counsel or the Ethics & Compliance Office.

Violations of these antitrust rules can carry severe penalties. You must avoid any conduct that violates or creates even the appearance of a violation of these rules.

[Corporate Governance Policy, CE 100.09 Fair Business Practices](#)

Interacting with competitors

When communicating with competitors, regardless of whether in a business or social setting, you must never discuss or exchange CareFirst's confidential or competitively sensitive information. You also must keep a professional distance from competitors and avoid contacts that can create even the appearance of improper arrangements.

Any direct contact with competitors must be for a legitimate business reason such as an industry event, a trade association meeting, or a bona fide transaction.

You can violate antitrust laws unintentionally by carelessly disclosing nonpublic information to representatives of competitors. This can happen under the most casual of circumstances, including social gatherings and trade association meetings. Trade association meetings present special challenges, and you should be alert to potential situations where it may not be appropriate for you to participate in discussions regarding prohibited subjects with our competitors.

[Corporate Governance Policy, CE 100.09 Fair Business Practices](#)

Prohibited competitive intelligence activities vs. acceptable activities

Acceptable:

- ✓ Public sources
- ✓ Internet
- ✓ Publications
- ✓ Industry surveys
- ✓ Filings
- ✓ Public presentations
- ✓ Advertisements
- ✓ Promotional materials or brochures
- ✓ From customers or vendors who legally obtained it
- ✓ From approved consultants who use legal and ethical methods to gather information

Prohibited:

- ✗ Theft
- ✗ Espionage
- ✗ Deception
- ✗ Misrepresentation
- ✗ Trespassing
- ✗ Intentional eavesdropping
- ✗ Inducement to disclose through threats
- ✗ Dumpster diving
- ✗ Garbage sifting
- ✗ Wiretapping
- ✗ Computer hacking

Reciprocity

All buying and selling decisions must be independent.

To give preference to suppliers because they are also customers, or to influence a supplier to become a customer, is engaging in an illegal practice known as reciprocity. Always abide by the following three rules:

1. Do not give preference to a vendor because the vendor is also our customer.
2. Do not improperly influence a vendor to become our customer.
3. Do not require a vendor to buy our products as a condition of doing business with us.

[Corporate Governance Policy, CE 100.09 Fair Business Practices](#)

Specific guidelines on pricing

Even informal discussions among competitors about specific pricing actions may expose employees and CareFirst to civil and criminal sanctions. We must not engage in conduct, however innocent, that creates the impression of collaborating with a competitor on pricing.

Competitive intelligence activities

Employees may only gather information about our competitors from appropriate sources and in legal and ethical ways.

[Corporate Governance Policy, CE 100.09 Fair Business Practices](#)

Procurement and purchasing

We uphold an honest, fair, and objective procurement process. We base our purchasing decisions solely on quality, performance, price, and the supplier's ability to meet CareFirst's needs. Purchasing decisions must never be made based on personal relationships, friendships, gifts, or favors.

You must always observe the following general standards:

- Choose vendors/suppliers that share CareFirst's values and ethical standards;
- Do not show favoritism in whom you invite to bid on projects;
- Do not share information provided by one vendor/supplier (e.g., price, terms, or conditions) with another vendor/supplier;
- Weigh all the facts impartially and objectively when selecting among competing vendors/suppliers, regardless of the size of the service or order; and
- Select the vendor/supplier that will best serve CareFirst's needs and interests, without regard to any personal relationships or personal interests.

Summary guide—fair competition and compliance with antitrust laws

Fair competition and compliance with antitrust laws means that you:

- Must never discuss with competitors any matter directly related to competition between CareFirst and the competitor (for example, pricing, marketing strategies, sales policies, provider contracts);
- Must never agree with a competitor to restrict competition by fixing prices, boycotts, or other means;
- Must not require others to buy from CareFirst before CareFirst will buy from them;
- Must not require customers to take a service/product they don't want just so they can get the service/product they do want; and
- Must be accurate and truthful in all dealings with customers and be careful to accurately represent the quality, features, and availability of CareFirst products and services.

Our Strategic Sourcing and Procurement department (SS&P) generally facilitates the purchase of all goods and services, including consulting and professional services, on a CareFirst-approved contract template.

CareFirst expects that our business partners will act consistently with our Code. Anyone who engages or manages a business partner or contingent worker on CareFirst's behalf is responsible for monitoring the party's conduct to ensure compliance with our Code.

We also expect all of our contingent workers to adhere to the [Third Party Code](#) while conducting business with and/or on behalf of CareFirst. Contractors are responsible for ensuring that their employees and subcontractors understand and adhere to our [Third Party Code](#).

[Strategic Sourcing and Procurement Policy, PUR.01 Strategic Sourcing and Procurement Policy](#)

[Corporate Governance Policy, CE 100.09 Fair Business Practices](#)

Vendor/supplier relationships

Relationships with our outside vendors can pose ethical dilemmas. Vendors sometimes offer cash, materials, services, or equipment to be used for CareFirst activities such as member or provider education and disease management programs. These vendors may, or may not, have a current business relationship with CareFirst. We must be careful because such offers have the potential to be perceived as bribes, kickbacks, or unfair sales practices and could violate CareFirst policies and laws.

Supplier diversity program

CareFirst is committed to advancing diversity, equity, inclusion and belonging. Having a diverse supplier base reflects the customers we serve. To further our efforts, we established a formal Supplier Diversity Program within our Strategic Sourcing and Procurement organization. CareFirst made it a priority to create a community that promotes and embraces diversity in all aspects of our business. This commitment extends beyond our own business and includes the partners selected to advance our goal of improving health equity and accessibility.

Supplier diversity matters. The suppliers we choose influence our capability to carry out our corporate mission and exhibit our commitment that our business is stronger through its diverse, inclusive perspectives.

[Strategic Sourcing and Procurement Policy, PUR.03 Supplier Diversity Policy](#)

[CareFirst Supplier Diversity Statement](#)

We are committed to purchasing products and services from qualified, diverse suppliers, which include businesses owned by women, minorities, LGBTQ+ individuals, veterans, disabled veterans, people with disabilities, and individuals of other protected classifications. We believe this commitment creates mutually beneficial business relationships with diverse suppliers, strengthens the communities in which we operate, and helps us to fulfill our Corporate mission.

CHAPTER 7: CONDUCTING BUSINESS WITH THE GOVERNMENT

The government is a unique customer. Doing business with the government requires that we conduct our business with the highest degree of integrity and honesty. If you are involved with government contracts, you are responsible for knowing and complying with the laws, regulations, and Company policies that apply to those activities.

Doing business with ineligible persons

Our Company will not employ or contract with individuals or entities that are:

- Excluded from or ineligible to participate in federal healthcare programs;
- Suspended or debarred from participating in federal government contracts; or
- Convicted of a felony involving fraud, embezzlement, theft, dishonesty, or breach of trust.

[Corporate Governance Policy, CE 100.10 Conducting Business with the Government](#)

Gifts, gratuities, and payments—government contracts

No payments of money, gifts, services, entertainment, or anything of value may be offered or made available in any amount, directly or indirectly, to or from any federal, state, or local governmental official or employee, including any vendor, agent, provider, consultant, or governmental official affiliated with government health programs such as Medicare, Medicaid, or the Federal Employee Health Benefit Program (FEHBP), which includes the Federal Employee Program (FEP), the FEHBP HMO (commonly referred to as ND 50) and the Postal Service Health Benefit Program. This includes payments to state or federal regulators, legislators, and lobbyists.

You may offer standard CareFirst-branded marketing items and benefits that comply with federal and state laws and regulations and that are available to all customers in similar circumstances on an equal basis.

If you work in a business unit administering a government contract (federal, state, or local), you are prohibited from accepting meals or anything of value from members or beneficiaries, physicians, government agents/representatives, anyone conducting or wishing to conduct business with CareFirst, or any vendor currently participating in an active procurement.

[Corporate Governance Policy, CE 100.10 Conducting Business with the Government](#)



Federal and state anti-kickback statutes

We may not offer, provide, or receive kickbacks of any kind.

A kickback means to willfully offer, receive, request, or pay anything of value in order to induce or reward referrals of business including goods and services. This also includes interactions with a government contractor, subcontractor, or their employees to improperly obtain or reward favorable treatment in connection with a government contract or subcontract. Even an attempt to offer or accept a kickback may violate the law.

To avoid potential violations of federal or state anti-kickback statutes, you must never offer, request, or receive anything of value from anyone in return for payment under a government program or preferred treatment by the government. Consult with the Chief Ethics & Compliance Officer if you have a question about these standards.

[Corporate Governance Policy, CE 100.10 Conducting Business with the Government](#)

Procurement Integrity Act

CareFirst is subject to the Procurement Integrity Act and Federal Acquisition Regulation when bidding on federal contracts.

During the bidding process, you are not allowed to:

- Offer gifts to government officials or competing contractors;
- Discuss future employment possibilities with government officials or competing contractors; and
- Solicit or obtain any proprietary information about competitors or source selection information from government officials.

[Corporate Governance Policy, CE 100.10 Conducting Business with the Government](#)

Combatting trafficking in persons

CareFirst has a zero-tolerance policy regarding the trafficking of persons. We are committed to the United Nations Guiding Principles on Business and Human Rights in that it is our corporate responsibility to respect and protect business-related human rights.

In the performance of any CareFirst contract with the federal government, you must not:

- Engage in forms of trafficking in persons;
- Procure commercial sex acts;
- Use forced labor; or
- Use misleading or fraudulent recruitment practices.

If you are aware of any such prohibited activity, you are required to contact the Ethics & Compliance Office, the Ethics & Compliance Hotline, or law enforcement authorities immediately.

[Corporate Governance Policy, CE 100.10 Conducting Business with the Government](#)

Federal False Claims Act

The federal False Claims Act (FCA) is an important tool that allows the federal government to recover money stolen through fraud by persons and/or companies doing business with the federal government. If you work on, process claims for, or file reports for government programs, you need to be aware of the FCA.

The FCA forbids knowingly and willfully making false statements or representations about a claim submitted for reimbursement to a federal healthcare program, including the Federal Employee Health Benefit Program, Medicare, and Medicaid.

Both CareFirst and you personally could face criminal penalties and civil fines for submitting a claim that you know or should know is false, fraudulent, or misleading to a federal healthcare program.

Under both the FCA and Company policy, CareFirst is prohibited from retaliating against any employee who, in good faith, reports fraud, waste, and abuse to

the government or who files a lawsuit on behalf of the government. However, this does not prevent CareFirst from imposing disciplinary action if you are involved in wrongdoing or have acted unlawfully.

You are not required to report a possible FCA violation to CareFirst first. You may report directly to the U.S. Department of Justice. The FCA includes a provision that allows someone with actual knowledge of alleged FCA violations to file suit on the federal government's behalf.

[Human Resources Policy, HR 200.05 Illegal Retaliation](#)
[Corporate Governance Policy, CE 100.10 Conducting Business with the Government](#)

Government requests for information

Occasionally, CareFirst may be asked to cooperate with a government investigation or respond to requests for information from the government. We must respond appropriately to any such investigations or requests. It is a violation of the law to knowingly make false or misleading statements to a government official. CareFirst and its employees must provide accurate, truthful, and complete information to government officials. We also are prohibited from disposing, falsifying, covering up, destroying, or otherwise altering any documents related to a government investigation, request, or legal proceeding.

If you personally receive a request for information from a government or law enforcement agency or are contacted directly about an investigation, you must inform the Office of Corporate Counsel immediately. You are free to meet with government investigators if you choose. If you do so, you must be completely accurate and truthful in your answers.

[Corporate Governance Policy, CE 100.10 Conducting Business with the Government](#)

We must never:

- Falsify records or knowingly submit false, misleading, or incomplete information to the government or to any entity administering government funds; or
- Include unallowable costs in claims presented to the government.

We must always:

- Charge all government contract/grant claims to the correct accounts;
- Properly report any overpayments from the government, even if unintentional; and
- Timely return any overpayment to the government, even if unintentional, as required by law.

CONCLUSION

The Code reflects our commitment to the highest standards of legal and ethical business conduct. The Code does not contain or reference all of our Company's policies and procedures, nor does it include all details regarding any policy. Instead, the Code sets forth the fundamental legal and ethical principles for conducting all aspects of our business.

The Code should not be interpreted as creating an express contract or implied contract of employment or continued employment by CareFirst.

Approval, amendments, and waivers

Our Code has been approved by the CareFirst Board of Directors. CareFirst reserves the right to interpret, modify, or rescind some or all of the Code provisions at any time as deemed appropriate. Any substantive amendments to the Code must be approved by the Board of directors or an appropriate Board Board of directors Committee. Substantive amendments will be timely communicated to all employees.

A request for a waiver of a provision of our Code for any CareFirst executive, board of directors member, or employee must be submitted to our Chief Ethics & Compliance Officer and approved by the CareFirst Audit and Compliance Committee of our Board of Directors. If approved, CareFirst will publicly disclose the waiver and the reasons it was granted.

Contact information

For recent contact information, please read the online version of the CareFirst Code of Ethical Business Conduct & Compliance located on [InsideCareFirst](#) under the Code of Conduct & Policies tab located at the top of the homepage or on [carefirst.com](#) under *About Us > Company Overview > Mission & Values*.

CareFirst Ethics & Compliance Office

Direct Dial: **410-528-7193**

Email: ethicsandcompliance@carefirst.com

Submit concerns to the Ethics & Compliance Hotline online at [carefirst.com/speakup](#) or by phone at **410-528-7800**. You can choose to provide your name or remain anonymous.

Privacy, Anti-Fraud and IT Security

CareFirst Privacy Office:

800-853-9236 or

privacy.office@carefirst.com

Anti-Fraud & Abuse Hotline:

800-336-4522 or **410-998-5488**

SIU@carefirst.com

Cybersecurity:

410-998-5935

cybersecurity@carefirst.com



Selected by Ethisphere Institute as one of the World's Most Ethical Companies...

12 YEARS AND RUNNING!

"World's Most Ethical Companies" and "Ethisphere" names and marks are registered trademarks of Ethisphere LLC.

FIDUCIARY OBLIGATIONS OF THE BOARD OF DIRECTORS

Group Hospitalization & Medical Services, Inc. (GHMSI) Board Members

As required by regulation, the following are the fiduciary obligations of the GHMSI Board Members. Title 26 DCMR, Chapter 45, Section 4504

4504.1 Directors shall carry out the corporation's purposes as set forth in its charter. In fulfilling this obligation, Directors shall:

- (a) Annually review the corporation's charter, by-laws, and District of Columbia and federal law governing the corporation's operations;
- (b) Review the activities of the corporation's officers, employees, and agents to ensure that they comply with the provisions of the corporation's charter, by-laws and District of Columbia and federal law governing the corporation's operations;
- (c) Promptly investigate any case where a director learns of a suspected violation of the corporation's charter, by-laws, or state or federal laws governing the corporation's operations by an officer or employee of the corporation;
- (d) Review the use of the corporation's funds; and
- (e) Use professional legal and financial advisors to monitor changes in the law and to ensure the corporation's compliance with all legal requirements.

4504.2 Directors shall act in good faith, in a reasonably prudent manner, and in a manner reasonably believed to further the best interests of the corporation as a charitable and benevolent institution. In fulfilling this obligation, Directors shall:

- (a) Exhibit fairness, openness, and honesty in all corporation business;
- (b) Apply sound practical judgment when making decisions for the corporation;
- (c) Be attentive to the operations of the corporation and alert to potential problems;
- (d) Manage the financial affairs of the corporation carefully and responsibly;

- (e) Comply with all regulatory requirements affecting the corporation;

- (f) Secure independent professional advice regarding any proposals that may result in a financial benefit for officers of the corporation; and

- (g) Secure independent professional advice for any matter beyond the expertise of the board or the board committees considering the issue.

4504.3 Directors shall give their complete and undivided loyalty to the corporation's mission as set forth in its charter. In fulfilling this obligation, Directors shall:

- (a) Further the goals of the corporation and not their own interests;
- (b) Ensure that any perquisites of their position are customary for Directors of similar corporations;
- (c) Ensure that they do not use their position or any information they receive in their official capacity to gain any personal advantage;
- (d) Not receive excessive compensation or benefits;
- (e) Not receive loans from the corporation; and
- (f) Not use their positions to benefit third persons.

4504.4 Directors shall be entitled to rely upon information provided to them by officers and employees, but only to the extent that a reasonable person would believe such information to be reliable and competent. Directors have an affirmative duty to investigate any information provided to them by officers and employees that does not reasonably appear to be reliable and competent.

4504.5 Directors shall be entitled to rely upon the advice of lawyers and accountants regarding a Director's compliance with these rules, but only to the extent that a reasonable person would believe such advice to be reliable and competent. Directors shall obtain a second opinion whenever advice provided to them by lawyers and accountants does not reasonably appear to be reliable and competent.

CareFirst, Inc. and CareFirst of Maryland, Inc. Board Members

As required by statute, the following are the fiduciary obligations of the CareFirst, Inc. and CareFirst of Maryland, Inc. Board Members.

Annotated Code of Maryland, Insurance, Title 14.
Entities That Act as Health Insurers

§14-115. Management of business by board of directors

(1) The business and affairs of a nonprofit health service plan shall be managed under the direction of a board of directors.

(2)(i) The board and its individual members are fiduciaries and shall act:

1. In good faith;
2. In a manner that is reasonably believed to be in the best interests of the corporation and its controlled affiliates or subsidiaries that offer health benefit plans;
3. In a manner that is reasonably believed to be in furtherance of the mission of the corporation as a nonprofit health service plan as required under § 14-102(c) of this subtitle; and
4. With the care that an ordinarily prudent person in a like position would use under similar circumstances.

(ii) The board and its individual members may not use board membership for personal or financial enrichment to the detriment of the nonprofit health service plan or the mission of the nonprofit health service plan.

(3) The principal functions of the board shall include:

- (i) Ensuring that the corporation effectively carries out the nonprofit mission established under § 14-102(c) of this subtitle;
- (ii) Selecting corporate management and evaluating its performance;
- (iii) Ensuring to the extent practicable that human resources and other resources are sufficient to meet corporate objectives;

(iv) Subject to the provisions of subsection (d) of this section, nominating and selecting suitable candidates for the board;

(v) Establishing a system of governance at the board level, including an annual evaluation of board performance; and

(vi) Before considering any bid or offer to acquire the nonprofit health service plan and to convert to a for-profit entity under Title 6.5 of the State Government Article, ensuring that adequate consideration is given to an independent valuation of the nonprofit health service plan.

(4) Each member of the board shall demonstrate a commitment to the mission of the nonprofit health service plan as required by § 14-102(c) of this subtitle.

(5) An officer or employee of a nonprofit health service plan or any of its affiliates or subsidiaries may not be appointed or elected to the board.

(6) A nonprofit health service plan is subject to the provisions of § 2-419 of the Corporations and Associations Article.

RESOURCES

[CareFirst Corporate Policies](#)

[Third Party Code of Ethical Business Conduct & Compliance](#)

[CareFirst Ethics & Compliance website](#)

[CareFirst's Corporate Ethics & Compliance Program](#)

[FAQs for Gifts, Entertainment, Travel, Prize Items, Raffles, Honorariums, and Relationships with Pharmaceutical Manufacturers](#)

[CareFirst Ethics & Compliance FAQs: Conflict of Interest Disclosure Statement and Compliance Certification Process](#)

[Cybersecurity](#)

[CareFirst Privacy Office Guide](#)

[Workforce Guidelines for Raising Concerns](#)

[Management Guidelines for Receiving Concerns or Potential Misconduct](#)

[Report a Violation of the Code of Conduct](#)

[CareFirst Values](#)

[Report a Privacy Incident](#)

[CareFirst Brand Guidelines](#)

[CareFirst Business Continuity & Disaster Recovery](#)



APPENDIX

Chapter 1: About the Code of Ethical Business Conduct & Compliance..... 1

- Why do we have a Code of Ethical Business Conduct & Compliance?..... 1
- The Code applies to everyone at CareFirst..... 1
- Third Party Code of Ethical Business Conduct & Compliance 2
- Knowing and complying with the CareFirst Code and policies..... 2
- Making effective and ethical decisions..... 2
- Our people leaders’ responsibilities..... 2
- Chief Ethics & Compliance Officer 4
- Your obligation to speak up, report violations, and cooperate in investigations..... 4
- Reporting concerns to the Ethics & Compliance Hotline 4
- Confidentiality 5
- CareFirst’s responsibility to respond..... 5
- Reporting requirements of attorneys 5
- Disclosure 5
- Non-retaliation policy..... 5
- How to report concerns 6
- Corrective action guidelines 6

Chapter 2: Our Work Environment..... 7

- Drug-free workplace..... 7
- Smoke-free workplace 7
- Workplace violence..... 8
- Weapons 8
- Health, safety, and environment 8
- Qualification of employees..... 8
- Annual compliance certification..... 8
- Employment of government personnel..... 9
- Inclusion, equity, and employee responsibility..... 9
- Equal employment opportunity and affirmative action..... 9
- Workplace discrimination and illegal harassment 10
- Solicitation, distribution of materials, and bulletin board use..... 10

Chapter 3: Protecting Our Information..... 11

- Confidential and proprietary information about CareFirst business..... 11
- Confidential and proprietary information of others..... 12
- Use of software 12
- Logo usage..... 12
- Confidential information about our employees .. 12
- Confidential information about friends, relatives, and others..... 12
- Confidential information about our members— Protected Health Information 13
- Confidential information about our members— Personally Identifiable Information..... 13
- Security of confidential information..... 14
- Password and access codes 15
- Social media 15

Chapter 4: Using Company Assets 16

- Software 17
- Electronic assets..... 17
- Accurate record-keeping and financial reporting 17
- Using Artificial Intelligence (AI)..... 17
- Fraud, waste, and abuse 18
- Insider trading..... 18
- Record retention and destruction 18

Chapter 5: Conflicts of Interest 19

- Conflict of interest—disclosure..... 19
- Conflict of interest—personal financial interests 21
- Conflict of interest—outside employment and other activities..... 21
- Conflict of interest—immediate relatives and members of the same household 21
- Conflict of interest—personal relationships..... 22
- Corporate opportunities 22
- Political activity and political contributions 22
- Corporate political contributions..... 23
- CareFirst Political Action Committee (PAC)..... 23

Lobbying/contacting elected officials, regulators, or governmental agencies	23
Public relations and communications	24
Public speaking	24
Publishing articles.....	24
Non-endorsement policy	24
Award policy	25
Podcast/Videos policy.....	25
Chapter 6: Conducting CareFirst’s Business ..	26
Customer relations	26
Employee relations	26
Community health, social impact, and sustainability at CareFirst	27
Gifts and special courtesies—acceptance	27
Gifts and special courtesies—offering	28
Business entertainment.....	28
Conference travel and fees.....	30
Government programs—gifts and entertainment	30
Business relationship with pharmaceutical manufacturers.....	31
Honorarium	31
Foreign Corrupt Practices Act.....	31
Kickbacks, rebates, bribes, or other improper payments.....	31
Antitrust laws.....	32
Agreements with competitors.....	32
Interacting with competitors	32
Reciprocity	33
Specific guidelines on pricing	33
Competitive intelligence activities	33
Procurement and purchasing	33
Vendor/supplier relationships	34
Supplier diversity program	34
Chapter 7: Conducting Business with the Government.....	35
Doing business with ineligible persons.....	35
Gifts, gratuities, and payments—government contracts	35
Federal and state anti-kickback statutes	36
Procurement Integrity Act	36
Combating trafficking in persons	36
Federal False Claims Act.....	36
Government requests for information	37
Conclusion	38
Approval, amendments, and waivers.....	38
Contact information	38
Fiduciary Obligations of The Board of Directors	39
Group Hospitalization & Medical Services, Inc. (GHMSI) Board Members	39
CareFirst, Inc. and CareFirst of Maryland, Inc. Board Members	40
Resources.....	41
Appendix.....	42



SPEAK UP

CareFirst Ethics & Compliance Hotline

Submit concerns to the Ethics & Compliance Hotline online at carefirst.com/speakup or by phone at **410-528-7800**. You can choose to provide your name or remain anonymous.

Questions? Concerns?

We have answers. Contact the Ethics & Compliance Office. Call **410-528-7193** or email ethicsandcompliance@carefirst.com



CareFirst BlueCross BlueShield is the shared business name of CareFirst of Maryland, Inc. and Group Hospitalization and Medical Services, Inc., which are independent licensees of the Blue Cross and Blue Shield Association. BLUE CROSS®, BLUE SHIELD® and the Cross and Shield Symbols are registered service marks of the Blue Cross and Blue Shield Association, an association of independent Blue Cross and Blue Shield Plans.