



Policy: HH.2028
Title: **Code of Conduct**
Department: Office of Compliance
Section: Regulatory Affairs & Compliance

CEO Approval: /s/ Michael Hunn 12/05/2024

Effective Date: 09/01/2015

Revised Date: 11/07/2024

Applicable to: ☒ Medi-Cal
☒ OneCare
☒ PACE
☐ Administrative

I. PURPOSE

This policy describes the process CalOptima Health utilizes to review, approve, and communicate its expectation that all Employees, members of its Governing Body, and First Tier, Downstream, and Related Entities (FDRs) conduct themselves in an ethical and legal manner and in compliance with the Code of Conduct.

II. POLICY

- A. CalOptima Health requires that all members of the Governing Body, Employees, and FDRs to conduct themselves in an ethical and legal manner and in compliance with the Code of Conduct.
- B. Failure to comply with the Code of Conduct or the guidelines for behavior that the Code of Conduct represents may lead to disciplinary action, up to and including termination. Employees and FDRs are expected to inform CalOptima Health's Office of Compliance immediately in the event of any violation(s) to the Code of Conduct, in accordance with CalOptima Health Policy HH.2019: Reporting Suspected or Actual Fraud, Waste, or Abuse (FWA), Violations of Applicable Laws and Regulations, and/or CalOptima Health Policies.
- C. Employees, members of the Governing Body, and FDRs shall provide attestations they have received, read, understood and will comply with the Code of Conduct upon appointment, hire, or the commencement of the contract and annually thereafter. Completion and attestation of such review of the Code of Conduct is a condition of continued appointment, employment, or contract services.

III. PROCEDURE

- A. Reviewing and Approving the Code of Conduct
 - 1. The Office of Compliance is responsible for ensuring a review and approval of the current Code of Conduct by the Board of Directors, at least annually, or more frequently as needed. The following sources should be considered to determine if changes to the Code of Conduct are required:
 - a. Changes in state and federal laws, or regulations;
 - b. Changes in health care program requirements; and

- c. Other guidance, as applicable.
 - 2. Once approved by the Board of Directors, the Office of Compliance is responsible for ensuring the Code of Conduct is made available on CalOptima Health's InfoNet, and public website.
- B. Distributing and Monitoring for CalOptima Health Employees
- 1. All CalOptima Health Employees shall receive CalOptima Health's Code of Conduct within ninety (90) calendar days of appointment, hire, or contracting, and at least annually thereafter, as well as when the Code of Conduct is modified.
 - 2. If mid-year, or annual, revisions are made to the Code of Conduct, the Office of Compliance will inform the Human Resources Department, who will communicate to all Employees that an updated Code of Conduct is available and must be reviewed.
 - a. If the Code of Conduct is revised and distributed as part of the annual review, then the Human Resources Department shall distribute via web-based training, in accordance with CalOptima Health Policy HH.2023: Compliance Training.
 - b. If there are revisions to the Code of Conduct that occur mid-year, the Human Resources Department shall compose and distribute an email to all Employees announcing an updated Code of Conduct is available on CalOptima Health's InfoNet and to electronically confirm receipt, review, and understanding of the updated Code of Conduct.
 - 3. The Code of Conduct shall be communicated to all Employees through CalOptima Health's web-based learning management system or other means of distribution, in accordance with CalOptima Health Policy HH.2023: Compliance Training.
- C. Distributing and Monitoring for Members of the Governing Body
- 1. All members of CalOptima Health's Governing Body shall receive CalOptima Health's Code of Conduct within ninety (90) calendar days of appointment, at least annually thereafter, and when the Code of Conduct is modified.
 - 2. If mid-year or annual revisions are made to the Code of Conduct, the Office of Compliance will inform the Clerk of the Board, who will communicate to all members of the Governing Body that an updated Code of Conduct is available and must be reviewed.
 - a. If the Code of Conduct is revised and distributed as part of the annual review, then the Human Resources Department shall distribute the Code of Conduct via web-based training, in accordance with CalOptima Health Policy HH.2023: Compliance Training. The Clerk of the Board shall also provide a copy of the current Code of Conduct to all members of the Governing Body through a written memorandum and request an updated attestation to be executed from all members of the Governing Body.
 - b. If there are revisions to the Code of Conduct that occur mid-year, the Clerk of the Board shall compose and distribute a written memorandum to all members of the Governing Body announcing an updated Code of Conduct is available and to electronically confirm receipt, review, and understanding of the updated Code of Conduct.
- D. Distributing and Monitoring for FDRs

1. The Office of Compliance shall ensure the updated Code of Conduct is uploaded on to CalOptima Health vendor and Provider websites.
2. Upon contracting, the Office of Compliance distributes an FDR compliance attestation package composed of a cover letter containing a link to direct FDRs to CalOptima Health's policies and procedures, and Code of Conduct, as well as instructions on how to access CMS training modules on the topics for Fraud, Waste, and Abuse, General Compliance, and HIPAA. The packet also contains an FDR and Offshore attestation that are due within thirty (30) calendar days (for existing FDRs) or sixty (60) calendar days (new FDRs).
3. All CalOptima Health FDRs shall receive CalOptima Health's Code of Conduct within ninety (90) calendar days of appointment, hire, or contracting, and at least annually thereafter, as well as when the Code of Conduct is modified. Additionally, the Code of Conduct is provided through the CalOptima Health vendor and Provider websites with notification of updates provided via email.
 - a. Upon contracting and annually thereafter, FDRs shall confirm receipt and understanding of CalOptima Health's Code of Conduct via the initial and annual FDR attestation.
4. FDRs are required to disseminate copies of the CalOptima Health's Code of Conduct and policies and procedures to their employees, agents, and Downstream Entities, or distribute a comparable Compliance Plan and Code of Conduct. If the latter option, the FDR must submit a copy of its Compliance Plan and Code of Conduct to CalOptima Health's Office of Compliance for review, to ensure they meet CMS requirements.
5. Annually, the Office of Compliance shall request an updated attestation to be executed from all FDRs. Failure to submit the requested documents may result in issuance of a notice of non-compliance, in accordance with CalOptima Health Policy HH.2005: Corrective Action Plan.
6. The Office of Compliance shall communicate any update(s) to compliance documents, with instructions to access the CalOptima Health vendor and provider websites, to all FDRs.

IV. ATTACHMENT(S)

A. CalOptima Health Code of Conduct

V. REFERENCE(S)

- A. CalOptima Health Compliance Plan
- B. CalOptima Health Contract with the Centers for Medicare & Medicaid Services (CMS) for Medicare Advantage
- C. CalOptima Health Contract with the Department of Health Care Services (DHCS) for Medi-Cal
- D. CalOptima Health PACE Program Agreement
- E. CalOptima Health Policy HH.2005: Corrective Action Plan
- F. CalOptima Health Policy HH.2019: Reporting Suspected or Actual Fraud, Waste, or Abuse (FWA), Violations of Applicable Laws and Regulations, and/or CalOptima Health Policies
- G. CalOptima Health Policy HH.2023: Compliance Training
- H. Medicare Managed Care Manual, Chapter 21
- I. Medicare Prescription Drug Benefit Manual, Chapter 9
- J. Title 42, Code of Federal Regulations (C.F.R.), §455.2
- K. Title 42, Code of Federal Regulations (C.F.R.), §422.503(b)(4)(vi)(A)
- L. Title 42, Code of Federal Regulations (C.F.R.), §423.504(b)(4)(vi)(A)
- M. Title 42, Code of Federal Regulations (C.F.R.), §438.608

N. Welfare and Institutions Code, §14043.1(a)

VI. REGULATORY AGENCY APPROVAL(S)

None to Date

VII. BOARD ACTION(S)

Date	Meeting
12/01/2016	Regular Meeting of the CalOptima Board of Directors
12/07/2017	Regular Meeting of the CalOptima Board of Directors
12/06/2018	Regular Meeting of the CalOptima Board of Directors
12/05/2019	Regular Meeting of the CalOptima Board of Directors
12/03/2020	Regular Meeting of the CalOptima Board of Directors
12/20/2021	Special Meeting of the CalOptima Board of Directors
11/07/2024	Regular Meeting of the CalOptima Health Board of Directors

VIII. REVISION HISTORY

Action	Date	Policy	Policy Title	Program(s)
Effective	09/01/2015	HH.2028	Code of Conduct	Medi-Cal
Revised	12/01/2016	HH.2028	Code of Conduct	Medi-Cal OneCare OneCare Connect PACE
Revised	12/07/2017	HH.2028	Code of Conduct	Medi-Cal OneCare OneCare Connect PACE
Revised	12/06/2018	HH.2028	Code of Conduct	Medi-Cal OneCare OneCare Connect PACE
Revised	12/05/2019	HH.2028	Code of Conduct	Medi-Cal OneCare OneCare Connect PACE
Revised	12/03/2020	HH.2028	Code of Conduct	Medi-Cal OneCare OneCare Connect PACE
Revised	12/20/2021	HH.2028	Code of Conduct	Medi-Cal OneCare OneCare Connect PACE
Revised	12/31/2022	HH.2028	Code of Conduct	Medi-Cal OneCare PACE

Action	Date	Policy	Policy Title	Program(s)
Revised	09/01/2023	HH.2028	Code of Conduct	Medi-Cal OneCare PACE
Revised	11/07/2024	HH.2028	Code of Conduct	Medi-Cal OneCare PACE

IX. GLOSSARY

Term	Definition
Code of Conduct	The statement setting forth the principles and standards governing CalOptima Health's activities to which Board Members, Employees, FDRs, and agents of CalOptima Health are expected to adhere.
Downstream Entity	<p><u>Medi-Cal</u>: Any party that enters into a written arrangement, acceptable to DHCS and/or CMS, with persons or entities involved with a CalOptima Health Program benefit, below the level of arrangement between CalOptima Health and a First Tier Entity. These written arrangements continue down to the level of the ultimate provider of both health and administrative services.</p> <p><u>OneCare</u>: Any party that enters into an acceptable written arrangement below the level of the arrangement between a Medicare Advantage (MA) organization (and contract applicant) and a First Tier Entity. These written arrangements continue down to the level of the ultimate provider of health and/or administrative services.</p>
Employee	For purposes of this policy, any and all employees of CalOptima Health, including all senior management, officers, managers, supervisors and other employed personnel, as well as temporary employees and volunteers.
First Tier, Downstream, and Related Entities (FDR):	<p>First Tier, Downstream or Related Entity, as separately defined herein.</p> <p>For the purposes of this policy, the term FDR includes delegated entities, contracted providers, Health Networks, Physician Medical Groups, Physician Hospital Consortia, and Health Maintenance Organizations.</p>
First Tier Entity	<p><u>Medi-Cal</u>: Any party that enters into a written arrangement, acceptable to DHCS and/or CMS, with CalOptima Health to provide administrative services or health care services to a Member under a CalOptima Health Program.</p> <p><u>OneCare</u>: Any party that enters into a written arrangement, acceptable to CMS, with an MAO or Part D plan sponsor or applicant to provide administrative services or health care services to a Medicare eligible individual under the MA program or Part D program.</p>
Governing Body	The Board of Directors of CalOptima Health.
Monitoring	An on-going process usually directed by management to ensure processes are working as intended. Monitoring is an effective detective control within a process and is typically completed by department staff and communicated to department management.
Related Entity	Any entity that is related to CalOptima Health by common ownership or control and that: performs some of CalOptima Health's management functions under contract or delegation; furnishes services to Members under an oral or written agreement; or leases real property or sells materials to CalOptima Health at a cost of more than two thousand five hundred dollars (\$2,500) during a contract period.