

# Highmark Central – Group Appointment & Licensing Checklist

- Producer Appointment Information Form (Business Organization/Agency)
- Producer Appointment Agreement Form (Business Organization/Agency)
- Producer Appointment Information Form (Individual/Agent)
- Producer Appointment Agreement (Individual/Agent)
- Integrity Producer Training Certification
- Copy of Current Producer License Issued by Commonwealth of PA  
(For each Producer/Agent and the Corporation/Agency)

NOTE: If you are licensing the corporation or agency, the qualifying active officer listed on the agency's CQ must also be appointed.

- Copy of E & O Declarations Page  
(\$1,000,000 Minimum Required)

**\*\*Please return all paperwork to:**

Maura Coyne: [mcoyne@benecon.com](mailto:mcoyne@benecon.com)

Or

**Attn: Maura Coyne  
The Benecon Group  
P.O. Box 5406  
Lancaster, PA 17606-5406**

**BENECON**

## Highmark Appointment Documents – Central Pennsylvania Schedule F

### HIGHMARK PRODUCER INFORMATION CHECKLIST (Business Organization)

#### Important Notice Regarding Your Appointment as Producer for the Sale of Products Offered Through Highmark Inc.

- Prior to the appointment or reappointment of any insurance producer, Pennsylvania law requires insurance companies that are authorized to transact business within Pennsylvania to make reasonable inquiry to: (i) determine whether the producer could be disqualified from obtaining a new or renewal producer's license under applicable Insurance Department regulations; and (ii) verify other information relevant to a producer's fitness to conduct the business of insurance.
- Additionally, under Federal law, any person who has been convicted of any criminal felony involving dishonesty or breach of trust is prohibited from engaging in the insurance business without the consent of the Pennsylvania Insurance Commissioner.

#### BUSINESS ORGANIZATION APPOINTMENT CHECK LIST

- Appointment Information form: Have you legibly printed or typed your responses to Highmark Inc.'s Individual Appointment Information Form?
- Appointment Agreement: Have you legibly printed or typed your responses in the Appointment Agreement for Highmark Inc. and its affiliated companies and signed the Agreement?
- Producer license: Copy of your current producer license issued by the Commonwealth of Pennsylvania?
- Errors and Omissions (E & O) insurance: A copy of the declaration page from the E & O policy issued by your carrier?
- Integrity Training: Review the Integrity Process: Highmark Appointed Producer Training booklet and attached a signed Highmark Producer Integrity Process Training Certification form? The Integrity Training booklet and the Training Certification form are available through your chosen agency.
- Submitting Appointment paperwork: All completed appointment and corresponding documents must be submitted via email to [HighmarkChannelCompensation@highmark.com](mailto:HighmarkChannelCompensation@highmark.com)

\* Please be advised that this appointment is for Group. If the agent would like to be appointed/transferred with any of Highmark's Senior products, including Medigap Blue, please contact [HighmarkSeniorMarkets@Highmark.com](mailto:HighmarkSeniorMarkets@Highmark.com) as Senior lines of business are now handled separately.

\* Please be advised that this appointment is for Group. If the agent would like to be appointed/transferred with any of Highmark's Individual products please contact [ACA\\_SalesSupport@highmark.com](mailto:ACA_SalesSupport@highmark.com) as Individual lines of business are now handled separately.

**Highmark Appointment Documents – Central Pennsylvania Schedule F**

**HIGHMARK PRODUCER APPOINTMENT INFORMATION FORM  
(Business Organization)**

**Part A – Appointment Information Form**

Business Type (Check One):       Corporation                       Partnership                       Other

Products Lines Selling:       GROUP ONLY

Agency's Name: \_\_\_\_\_  
(As it appears on your Pennsylvania producer license)

List any other names by which Producer conducts business: \_\_\_\_\_

Agency's License Number: \_\_\_\_\_ (Attach copy of PA Agency license)

Tax ID: \_\_\_\_\_ - \_\_\_\_\_ Telephone Number: \_\_\_\_\_

Business Address:

Street: \_\_\_\_\_

City: \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

Email Address: \_\_\_\_\_ FAX Number: \_\_\_\_\_

List officers in Corporation or Partners in a Partnership in the space provided below or attach additional pages as needed; indicate if active or inactive.

Each active Officer/Partner must complete an Individual Appointment Information Form and attach producer license and proof of Errors & Omissions insurance.

\_\_\_\_\_  
(Name)                                      (Title)                                      (SSN/Tax ID)                                      (Active/Inactive)

\_\_\_\_\_  
(Name)                                      (Title)                                      (SSN/Tax ID)                                      (Active/Inactive)

\_\_\_\_\_  
(Name)                                      (Title)                                      (SSN/Tax ID)                                      (Active/Inactive)

Please answer the following questions:

1.  Yes     No      Has Producer ever been fined, or has any insurance license or certificate held by this business ever been refused, suspended, revoked or been the subject of any administrative or legal action in or by any State, the District of Columbia, the Federal government or any Canadian province?
2.  Yes     No      Does the charter and/or other organizational documents of this business organization authorize it to engage in the business of insurance?
3.  Yes     No      Since the last appointment by Highmark, has there been any change in the power to direct, or in the authority to control, the activities of this business organization?

Note:      If you answered "yes" to any of these questions, you are required to provide additional information and full documentation of the facts relating to your answer with this Appointment Information Form.

Reminder: The Appointment application (consisting of the Appointment Information Form, and Appointment Agreement) must be completed in its entirety. The application must include as attachments, a copy of Producer's PA producer license and proof of Errors and Omissions Insurance. Applications missing information or attachments will be returned.

## Highmark Appointment Documents – Central Pennsylvania Schedule F

### HIGHMARK PRODUCER APPOINTMENT INFORMATION FORM (Business Organization)

This Appointment Agreement (“Agreement”) is made effective as of the date set forth below by and among Highmark Inc. (“Highmark”), and its affiliated companies identified on Attachment 1 hereto, (“the Highmark Companies”) with their principal offices at Fifth Avenue Place, 120 Fifth Avenue, Pittsburgh, PA 15222 and \_\_\_\_\_ (“Producer”), a business organization whose address is \_\_\_\_\_

**WHEREAS**, Producer has been issued a Producer License by the Commonwealth of Pennsylvania Insurance Department (“Department”); and

**WHEREAS**, Producer has requested one or more of the Highmark Companies to appoint it as a producer to sell the products of the Highmark Companies.

**NOW, THEREFORE**, intending to be legally bound, the parties to this Agreement agree as follows:

1. Producer warrants that it has been issued a valid producer license by the Department and that the license is in full force and effect. Producer further warrants that its license reflects lines of authority for the kinds of insurance that Producer intends to sell on behalf of the Highmark Companies.
2. Producer has completed the Producer Appointment Information Form (“Information Form”), attached to this Agreement and made a part of this Agreement, prior to the execution of this Agreement. Producer hereby warrants to the Highmark Companies that the information contained on the Information Form is true and correct as of the date Producer executes this Agreement.
3. The Highmark Companies hereby appoint Producer to act as each of their respective representatives in the sale and service of products that each company shall specify from time to time.
4. This Agreement shall become effective on the date signed by Highmark for itself and on behalf of the other companies, and shall be unlimited in duration; provided, however that this Agreement will automatically terminate if, at any time, Producer’s license is no longer valid.
5. Any party may terminate this Agreement, with or without cause, by giving written notice to the other parties at the address set forth in this Agreement. For the purpose of providing notice of termination, such written notice may be directed to Highmark Inc. at the address set forth above, and Highmark will accept such notice on behalf of itself and its affiliated companies.
6. The parties agree that nothing contained in this Agreement shall create an employment relationship between them.
7. Each of the Highmark Companies shall have the right, with prior written notice, to conduct periodic audits of the books and records of Producer as such relate to this Agreement.
8. Producer shall obtain and keep in force, during the term of this Agreement, Errors and Omissions Insurance in an amount and, with an insurance carrier reasonably satisfactory to the Highmark Companies. Upon request, Producer agrees to provide the Highmark Companies with a Certificate of Insurance evidencing the required coverage.
9. The Highmark Companies, at each of their options, may assign or transfer this Agreement to any affiliated or successor entity.

**Highmark Appointment Documents – Central Pennsylvania Schedule F**

**HIGHMARK PRODUCER APPOINTMENT INFORMATION FORM  
(Business Organization)**

10. Producer agrees to comply with all Highmark Companies’ guidelines, procedures and policies, as may be in effect from time to time as well as the terms of the General Producer Agreement.
11. Producer agrees to notify the Highmark Companies promptly upon the occurrence of any event which may affect the ability of the Producer to fulfill its obligations under this Agreement or affect the status of Producer’s license.
12. Producer agrees to satisfy all obligations that it may have under this Agreement in accordance with applicable federal, state, and local law.
13. Producer acknowledges that the Highmark Companies shall make any and all disclosures regarding the appointment and termination of Producer, pursuant to its duty to comply with applicable law.
14. Producer acknowledges that the Highmark Companies may amend this Agreement, without prior notice or consent, to comply with a change in applicable law.
15. This Agreement shall be governed in all respects by the laws of the Commonwealth of Pennsylvania. The invalidity or unenforceability of any terms or provisions in this Agreement shall in no way affect the validity or enforceability of any other terms or provisions of this Agreement.
16. This Agreement, together with any attachments hereto and the General Producer Agreement, constitutes the entire Agreement among the parties, and supersedes all other proposals, understandings or agreements, whether written or oral, previously entered into among the Highmark Companies and Producer for the purpose of appointing Producer to sell the products of the Highmark Companies. If any language herein conflicts with language or provisions contained in the General Producer Agreement, the language in the General Producer Agreement will control.
17. Producer shall be subject to the same limitations on the use and disclosure of Protected Health Information (“PHI”) and the Highmark Companies produced data (“Data”) that apply to the General Producer through which Producer sells or services the Highmark Companies’ Health Benefits Plans. Such limitations are set forth in specific agreements between Highmark and the General Producer. These limitations on use of Data shall apply regardless of the manner in which Producer received Data.

**NOW, THEREFORE,** the parties hereto have executed this Agreement as of the date set forth below.

Producer: Highmark Inc. for itself and on behalf of the affiliated companies identified on Attachment 1

Name: \_\_\_\_\_  
(Please type or print legibly)

By: 

Signature: \_\_\_\_\_

Title: Segment President, Commercial Markets

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Highmark Appointment Documents – Central Pennsylvania Schedule F**

**HIGHMARK PRODUCER APPOINTMENT INFORMATION FORM  
(Business Organization)**

**Attachment 1**

**Schedule of Highmark Companies**

Producer requests that Producer be appointed by each Highmark Company, and the terms of the Appointment Agreement to which this Schedule is attached shall apply with respect to each of the following Highmark affiliates. In the event the Producer no longer wants to be appointed by Highmark and/or any or all of these affiliates, Producer shall provide written notice to Highmark at the address set forth in the opening paragraph of the Appointment Agreement.

**This schedule is subject to change by Highmark. In the event this Schedule is revised, Highmark will provide written notice of such changes to the Producer.**

# 2012 Highmark Appointed Producer Training

## *Working with Integrity*

# Working With Integrity

- **Introduction**
- **Highmark Corporate Values**
- **Principles of Integrity**
- **Highmark's Obligations**
- **Highmark Appointed Producer Obligations**
- **Highmark Expectations of our Appointed Producers**
- **Consequences**
- **Highmark Integrity Office**
- **Contact Highmark's Integrity Office**
- **Conclusion**
- **Training Certification**



# Introduction

- Explain the Principles of Integrity.
- Recognize Highmark's obligations to you as a Highmark Appointed Producer.
- List your obligations to Highmark as a Highmark Appointed Producer.
- Identify expectations for Appointed Producers in the Highmark Third Party Code of Business Conduct.
- Identify the consequences to Highmark, its employees and its Appointed Producers for non-compliance with laws, rules and regulations and for failure to follow Highmark's Integrity Process and the Highmark Third Party Code of Business Conduct.
- Describe the mission of Highmark's Integrity Office and its organizational structure.
- Contact Highmark's Integrity Office with questions about Highmark's Integrity Process, the Highmark Third Party Code of Business Conduct or to report questionable or unlawful acts or behavior including fraud, waste and abuse.
- We recognize that you are not an employee of Highmark rather you are a Highmark Appointed Producer. These rules of integrity nevertheless apply to you whenever and wherever you perform work for our company. You are expected to share and subscribe to Highmark's commitment to ethical business practices in all of your relationships with our members, suppliers, and employees

# Values

Highmark's success is built on a foundation of core corporate values. With these values, we build and nurture a culture with integrity that focuses on customers, employees and communities. The Highmark Third Party Code of Business Conduct sets the ethical tone for conducting business on behalf of Highmark. Individuals possessing a Highmark Producer Appointment are expected to share and subscribe to Highmark's commitment to ethical business practices.

## Highmark Corporate Values

- United in our Vision and Mission
- Focused on our Customers
- Dedicated to Excellence
- Committed to the Employees and Communities We Serve
- Uncompromising in our Integrity

# Principles of Integrity

**The following Principles of Integrity serve as a path to what is proper in most work situations, regardless of the job at hand. Use these principles as your primary road map when conducting business on behalf of Highmark**

- Personal and professional integrity is and has been our most important attribute.
- We care not only for the end result, but how it is obtained.
- We are honest and forthright. We observe all laws and regulations. But lawful behavior is not enough; ethical behavior should be your standard.
- We trust our instincts to tell us that something is not quite right and ask questions whenever in doubt as to the proper course of action.
- Customer, provider and supplier relations are the cornerstones of our business. They must be built upon credibility and mutual respect.
- We demand ethical conduct in all your activities.
- We always do the right thing.

# Highmark's Obligations

**Highmark has a Code of Business Conduct for its employees. With the Code comes certain obligations when Highmark conducts business with Third Parties like our customers, vendor, business partners, and Highmark Appointed Producers.**

## **At Highmark, we strive to:**

- Aspire to maintain a culture that not only embraces the principle of doing the right things, but also doing things the right way.
- Make certain employees have the responsibility to epitomize Highmark's values and to perform their job with integrity.
- Be committed in dealing fairly with customers, Third Parties and competitors and to not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material factors or any other unfair-dealing practice.
- Ensure employees observe the applicable laws, rules, and regulations governing the company's products and services.
- Respect and honor the intellectual rights of others and will not use any copyrighted or patented materials without a license or approval.
- Be committed to diversity and endeavors to make everyone feel welcome at Highmark.
- Make sure employees respect the unique attributes of others and recognize and embrace the many diverse perspectives and ideas that each brings to the workplace.

# Highmark's Obligations to our Third Parties continued:

## At Highmark we strive to:

Continue to keep our company ,a safe and healthy workplace,

- Treats its employees and visitors with professional respect and courtesy.
- Not tolerate any harassment, which may be of a sexual, physical, written, or verbal nature, from our employees, customers, Third Parties, outside business invitees, and visitors.
- Not tolerate actions or threats by anyone-who disrupts business or place employees, customers, Third Parties, or visitors at risk of harm.

# Highmark Appointed Producer Obligations

## As a Highmark Appointed Producer, you are expected to:

- Be knowledgeable of and adhere to the Highmark Third Party Code of Business Conduct regarding Appointed Producers.
- Be responsible for your own actions to assure that ethics and integrity are part of the business environment.
- Seek guidance from the Highmark Integrity Office when questions involving the Highmark Appointed Producer conduct expectations arise.
- Report questionable Medicare Advantage and Medicare Prescription Drug program unethical business conduct, either actual or suspected, including fraud, waste and abuse to the Highmark Integrity Office.

# Highmark's Expectations of Our Appointed Producers

1. Seek to truthfully, carefully, and accurately present a true picture of covered benefits by learning and keeping abreast of all relevant products, benefit plans, and applicable legislation and regulation, to the best of your ability.
2. Make a conscientious effort to ascertain and understand all relevant circumstances pertaining to the client in order to recommend appropriate benefit plans.
3. Inventory current benefit plans with the client to avoid selling duplicative insurance benefits.
4. Honestly assess the likelihood that a client will meet underwriting and financial requirements and discover any adverse factor(s), to reduce false expectations of acceptance and adequacy of benefit plan.
5. Posses a comprehensive understanding of products in order to honestly, openly, and effectively portray benefit plans and determine a client's understanding of key benefits and limitations.

# Highmark's Expectations of Our Appointed Producers (continued)

6. Clarify and verify the client's grasp of information and review pertinent issues
7. Protect proprietary and competitive information.
8. Protect confidential health information and financial information in compliance with existing state and federal laws and regulations.
9. Obey all laws, including antitrust, governing business and professional activities and represent products in an ethical manner without fraud, misrepresentation, exaggeration, coercion, scare tactics, or concealment of pertinent facts.
10. Fully disclose, at all times, commission, and compensation arrangements to the client.
11. Ensure appropriate relationships by not offering or accepting any inducements that might compromise a reasonable business decision. Avoid any conflict of interest or the appearance of any conflict of interest.



# Highmark's Expectations of Our Appointed Producers (continued)

12. Use only authorized promotional materials unless prior written approval has been obtained, and fairly focus presentation on positive benefit comparisons rather than disparaging remarks about the competition.
13. Treat a client or a potential client with courtesy, respect, and priority in accordance with thoughtful, ethical, and legal business practices.

# Highmark's Appointed Producer Code of Business Conduct

Based on your review of the Highmark Third Party Code of Business Conduct and Highmark's expectations of our Appointed Producers, review the following scenarios to learn more:

## Scenario 1.

Susan Brook, a potential Highmark client, was meeting with Dennis Garfield, a Highmark Appointed Producer. Susan asked Dennis to disclose what his commission would be if she were to agree to enroll into a Highmark plan.

Dennis provided Susan with the information.

**Would this be a violation of the Highmark's Expectations of our Appointed Producers?**

- A. Yes
- B. No

# Code of Business Conduct continued

**If you answered No, you are correct.**

As a Highmark appointed producer, you should:

- Fully disclose, at all times, commission, and compensation arrangement to the client.
- Treat a client or a potential client with courtesy, respect, and priority in accordance with thoughtful, ethical, and legal business practices.

# Code of Business Conduct continued

## **Scenario 2:**

Donald Gray and Patricia Murphy, both appointed producers for Highmark, were talking after a meeting one morning. During their conversation, Donald informed Patricia that he knew of a mutual friend who is also a Highmark appointed producer that was offering potential clients \$100 gift cards to a local restaurant if they enrolled with him into a Highmark plan. Donald did not want to report him since he was a friend and didn't want to get him in trouble. Patricia advised Donald that he should report this information to the Highmark Integrity Office since Producers should not be offering inducements to enrollees who purchase any of Highmark's plans, and his actions were a clear violation of the Highmark Third Party Code of Business Conduct.

**Was Patricia's advice to Donald the correct course of action?**

- A. Yes**
- B. No**

# Code of Business Conduct continued

**If you answered Yes, you are correct.**

As a Highmark appointed producer, you should:

- Know that it is everyone's responsibility, including Highmark appointed producers, to report in good faith unethical behavior to the Highmark Integrity Office.
- Ensure appropriate relationships by not offering or accepting any inducements that might compromise a reasonable business decision. Avoid any conflict of interest or the appearance of any conflict of interest.
- Obey all laws, including antitrust, governing business and professional activities and represent products in an ethical manner without fraud, misrepresentation, exaggeration, coercion, scare tactics, or concealment of pertinent facts.
- Treat a client or a potential client with courtesy, respect, and priority in accordance with thoughtful, ethical, and legal business practices.

# Code of Business Conduct continued

## Scenario 3:

Barry Miller is a Highmark Appointed Producer. Barry has a meeting with Glenda Brown to discuss possible enrollment into one of Highmark's plans. After the meeting, Barry realizes that he gave Glenda the 2012 marketing material instead of the new 2013 material. Barry calls Glenda to notify her that he accidentally gave her the wrong material and will mail out the correct material to her today.

**Based on your knowledge of Highmark's expectations of our Appointed Producers, was Barry's actions within the guidelines?**

- A. Yes
- B. No

# Code of Business Conduct continued

**If you answered Yes, you are correct.**

The two statements that would reflect what Highmark's expectations of Appointed Producers are:

- Seek to truthfully, carefully, and accurately present a true picture of covered benefits by learning and keeping abreast of all relevant products, benefit plans, and applicable legislation and regulation, to the best of your ability.
- Use only authorized promotional materials unless prior written approval has been obtained.

# Code of Business Conduct continued

## Scenario 4

Douglas Warner, a Highmark Appointed Producer, had a meeting with Mary Dexter, a potential client, to discuss purchasing a Highmark plan. Mary could not decide whether to purchase the Highmark plan or a Highmark competitor's plan. Douglas told Mary that the competitor's plan did not include the physicians that Mary preferred in their network but Highmark's network did. Douglas knew that the competitor's plan did include Mary's preferred physicians but wanted Mary to pick the Highmark plan instead since Douglas was not an appointed producer for the competitor's plan.

**Based on your knowledge of Highmark's expectations of our Appointed Producers, were Douglas' actions within the guidelines?**

- A. Yes
- B. No



# Code of Business Conduct continued

**If you answered No, you are correct.**

- Obey all laws, including antitrust, governing business and professional activities and represent products in an ethical manner without fraud, misrepresentation, exaggeration, coercion, scare tactics, or concealment of pertinent facts.
- Use only authorized promotional materials unless prior written approval has been obtained, and fairly focus presentation on positive benefit comparisons rather than disparaging remarks about the competition.
- Treat a client or a potential client with courtesy, respect, and priority in accordance with thoughtful, ethical, and legal business practices.

# Consequences

When carrying out your day-to-day business activities as a Highmark Appointed Producer, be sensitive to situations that can lead to a violation of laws, rules, regulations, the Highmark Third Party Code of Business Conduct, or other Highmark policies and procedures.

Depending on the nature, severity or willfulness of the action or inaction, failure to abide by Highmark's Third Party Code of Business Conduct or Highmark's policies and procedures or failure to report to Highmark actual or suspected Medicare Advantage or Medicare Prescription Drug Plan noncompliance, unlawful or unethical conduct, including fraud waste and abuse may result in the following:

## **Appointed Producers**

- Commissions withheld.
- Agency appointment terminated.
- Producer appointment terminated.
- Commission payments terminated.
- Applicable state and/or federal authorities notified.

## **Highmark and It's Employees**

- Individual civil or criminal liability.
- Corporate civil or criminal liability.
- Loss of business.
- Employee disciplinary action up to and including termination.

# Highmark's Integrity Office

Highmark's commitment to ethical business practices is further emphasized by the formation of the Highmark Integrity Office. The mission of the Integrity Office is to establish and maintain an effective ethics and compliance program referred to as the Highmark Integrity Process.

The Highmark Integrity Office reports to the Corporate Compliance Officer, a principal officer of the company. To ensure a high degree of independence for the Integrity Process, the Corporate Compliance Officer reports directly to the Highmark President and Chief Executive Officer.

To support the Corporate Compliance Officer, the company has established a Compliance Committee comprised of senior management from various disciplines as well as the Chairman of the Highmark Board of Directors. The Highmark Audit Committee, comprised solely of external board members, has the ultimate compliance oversight.

# Contact Highmark's Integrity Office

- Toll Free Helpline: 1-800-985-1056 (No caller ID and available 24 hours a day/seven days a week.)
- US Mail: P. O. Box 150, Enola, PA 17025
- Fax: Pittsburgh – (412) 544-2475
  - Camp Hill – (717) 302-3650
- Email: [integrity@highmark.com](mailto:integrity@highmark.com)

## Protection from Retaliation and Intimidation

All inquiries are confidential and you can remain anonymous, subject to limitations imposed by law. Highmark maintains a reprisal-free environment and has a policy of non-retaliation and non-intimidation to encourage employees, Third Parties and their employees to raise ethical or legal concerns in good faith. Retaliation or intimidation against those who in good faith report wrong doing to Highmark is prohibited. If you raise questions or report in good faith potential or actual fraud, waste and abuse for any federally funded government programs, you are protected from retaliation and retribution from the False Claims Act as well as any other applicable retaliation protections.

Dear Third Party,

Highmark's mission is to be the leading health and wellness company in the communities we serve. We do this through the innovative products, programs and services we provide. In carrying out this mission, we strive to preserve the tradition and reputation that Highmark has built upon its high ethical standards.

At Highmark, we embrace our corporate values. We recognize that it is not enough to merely comply with laws and regulations but imperative to abide by the highest ethical standards in serving our constituents and community.

Our Code of Business Conduct embodies our commitment to ethical business conduct and, combined with our Corporate Values and Principles of Integrity, forms the foundation of the Highmark Integrity Process.

The Integrity Process is about people working together. As a valuable business partner, you are an integral part of this process. Highmark expects its employees to treat you with dignity and respect; we trust that you will do the same. Highmark wants you to feel safe and be treated with the utmost integrity while interacting with our employees. If you encounter behavior at Highmark that does not reflect the values and principles identified in this Code of Business Conduct, we want to know about it so that we can address your concern.

Enclosed is *The Highmark Third Party Code of Business Conduct* which summarizes our obligations to you, Highmark's expectations of you and the various methods available for you to confidentially contact the Integrity Office.

We appreciate your support of our Integrity Process and Third Party Code of Business Conduct as they are essential to preserving and strengthening Highmark's long tradition as an ethical organization.



Melissa M. Anderson  
Executive Vice President  
Chief Auditor and Compliance Officer  
Highmark Inc.

# THE HIGHMARK THIRD PARTY CODE OF BUSINESS CONDUCT

A GUIDE TO THE INTEGRITY PROCESS



# TABLE OF CONTENTS

- Overview 1**
- Highmark’s Obligation to Our Third Parties 1**
- Highmark’s Expectations of Our Third Parties 2**
- Highmark’s Expectations of Our Appointed Producers 5**
- Complying with the Highmark Third Party Code of Business Conduct 6**
- Contacts and Reporting Concerns 6**

# THE HIGHMARK THIRD PARTY CODE OF BUSINESS CONDUCT

## OVERVIEW

In today's business and legal environments, acting ethically and with a high degree of integrity differentiates a company from its competition as an organization that can be trusted. Highmark is committed to conducting business with integrity and in an ethical manner and to comply with established laws and regulations.

The Highmark Third Party Code of Business Conduct applies to those who conduct business with and/or on behalf of Highmark such as vendors, consultants, subcontractors, suppliers and producers herein referred to as "Third Parties."

Highmark recognizes that Third Parties are independent entities and their cultural environments may be different from Highmark's; however, Third Parties have a critical role in Highmark's success and Highmark strives to conduct business with those who share similar values in compliance and ethics. Therefore, Highmark's Third Parties and their employees are expected to share and subscribe to Highmark's commitment to ethical business practices. The Highmark Third Party Code of Business Conduct sets the ethical tone for conducting business with Highmark.

## HIGHMARK'S OBLIGATIONS TO OUR THIRD PARTIES

The Highmark Code of Business Conduct ("Code") is designed to provide clear guidance of the business conduct expected of all employees. It reflects our commitment to the highest standards of ethical business conduct.

The Code provides guidance to all Highmark employees in carrying out their daily activities within appropriate ethical and legal standards. These obligations also apply to relationships with other employees, customers and Third Parties.

The Highmark Code includes the following concepts:

### Ethical and Compliance Standards

- Highmark aspires to maintain a culture that not only embraces the principle of doing the right things, but also doing things the right way.
- All Highmark employees have the responsibility to epitomize Highmark's values and to perform their job with integrity.



- Highmark commits to dealing fairly with customers, Third Parties and competitors and to not take

unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material factors or any other unfair-dealing practice.

#### Legal and Regulatory Compliance

- All Highmark employees must observe the applicable laws, rules, and regulations governing the company's products and services.
- Highmark respects and honors the intellectual rights of others and will not use any copyrighted or patented materials without a license or approval.

#### Diversity

- Highmark is committed to diversity and endeavors to make everyone feel welcome at Highmark.
- Employees respect the unique attributes of others and recognize and embrace the many diverse perspectives and ideas that each brings to the workplace.

#### Safe, Healthy, and Harassment-Free Work Environment

To continue to keep our company a safe and healthy workplace, Highmark:

- Treats its employees and visitors with professional respect and courtesy.
- Will not tolerate any harassment, which may be of a sexual, physical, written, or verbal nature, from our employees, customers, Third Parties, outside business invitees, and visitors.
- Maintains a safe and healthy work environment, free of illegal drugs, alcohol, and workplace violence.
- Will not tolerate actions or threats by anyone who disrupts business or place employees, customers, Third Parties, or visitors at risk of harm.

## HIGHMARK'S EXPECTATIONS OF OUR THIRD PARTIES

Highmark strives to provide an environment that promotes fairness and equal opportunity, where differences in backgrounds are to be respected, and discrimination is not tolerated. Highmark in turn expects its business partners, including Third Parties, to respect and share this commitment.

Third Parties have the responsibility and are expected to respect the Highmark Code and to conduct business activities and interactions ethically and with integrity. As such, Third Parties are asked to adhere to the following standards when conducting business on behalf of Highmark:

#### Ethical and Compliance Standards

- Cooperate with Highmark's commitment to a safe and harassment-free workplace.
- Treat those who you encounter with professional respect and courtesy, regardless of their position, age, race, sex, religion, national origin, ancestry, creed, sexual orientation, mental or physical disability, veteran status, or any other differences of a personal nature while conducting business with or on behalf of Highmark.

#### Legal and Regulatory Compliance

- Conduct business activities in full compliance with the applicable laws and regulations while conducting business with and on behalf of Highmark.



- Comply with all anti-corruption laws, including the United States Foreign Corrupt Practices Act, and not make any direct or indirect payments of (including promises to pay, or authorizations to pay) money, gifts or anything of value to officials of foreign governments.
- Comply with antitrust and fair competition laws and regulations when conducting business with or on behalf of Highmark.
- Retain and dispose of Highmark's business records in full compliance with all applicable legal and regulatory requirements.
- Comply with all applicable U.S. and all countries of origin laws and regulations.
- Keep company records that are accurate, complete and appropriately reflect transactions and events and conform to applicable legal, regulatory accounting requirements and applicable control procedures. These records could be used in meeting Highmark's contractual obligations with the state and federal government.
- Cooperate with investigations by government agencies and are prohibited from knowingly making false or misleading statements to a government official.

#### Government Contract Compliance

A substantial portion of Highmark and its subsidiaries' businesses relate to their roles as government contractors. As a result, Highmark must abide by certain laws and regulations. Therefore, Third Parties are required to abide by any additional requirements and obligations while dealing with Highmark's government business.

The following government business requirements apply to Third Parties whose contracts with Highmark support Medicare Advantage and Medicare Prescription Drug programs:

- Prohibited from doing business with any person or entity that is currently debarred, suspended, excluded, or declared ineligible to perform work under any government contract or subcontract. This will necessitate monthly inquiries to various government databases.
- Prohibited from offering or accepting any kickbacks, gifts, entertainment, gratuities, or anything of value from suppliers, consultants, or government officials in exchange for an unfair competitive advantage.

- Must validate that general compliance and training specific to fraud, waste and abuse (FWA) has been completed for all employees who have involvement in the administration or delivery of Medicare Advantage and the Medicare Prescription Drug program. This training must be completed within 90 days of initial hiring and annually thereafter. Highmark reserves the right to audit the training program to ensure compliance with the Center of Medicare and Medicaid requirements.
- Report compliance concerns and suspected or actual violations related to the Medicare Advantage and the Medicare Prescription Drug program.

#### Conflict of Interest

Third Parties shall avoid actual, or the appearance of, conflicts of interest while doing business with Highmark. For example, Third Parties:

- Must not deal directly with any Highmark employee who has a financial interest in the Third Parties, or whose spouse or immediate family member holds a financial interest in the Third Parties in the course of negotiation or performing of the contract.
- Must not deal directly with any Highmark employee who is the spouse or immediate family member of the Third Parties' representative.



- **Must disclose any material transaction or relationship that reasonably could be expected to give rise to a potential conflict of interest.**
- **Must not influence a business decision either directly or indirectly through the Third Parties' position with Highmark which allows for personal gain or may adversely affect Highmark.**

### **Gifts, Gratuities and Kickbacks**

- **Cooperate with Highmark's gifting policy and avoid offering gifts or anything of value to Highmark employees where a business decision could be, or could be perceived to be, compromised. Avoid offering or accepting gifts or anything of value while acting on behalf of Highmark.**
- **Comply with Anti-kickback laws and should not request, solicit, receive, offer, give or make payments of any kind whether directly or indirectly that would encourage a person to refer a person to another person for the furnishing of any item or service covered by the federal government.**

### **Safe, Healthy, and Harassment-Free Work Environment**

- **Treat everyone, including Highmark employees with dignity and respect.**
- **Do not possess, use, and or distribute illegal drugs and or alcohol while on Highmark owned or leased property.**
- **Comply with all applicable laws and regulations regarding working conditions and labor laws.**

### **Information Security (Third Parties and Business Partners)**

**A significant amount of Highmark's business involves the processing and use of information that private and sensitive and that is protected by numerous federal and state laws. Both Highmark and its Third Parties must abide by these laws to the extent applicable.**

- **Protect the security of computer systems.**
- **Protect information used to access computers, networks or systems. Protecting information used to access computers ultimately protects your company as well as Highmark.**
- **Safeguard the confidentiality of personal and protected health information. Third Parties may be exposed to confidential information. Third Parties may have access to this information only if they need it to perform their job and they may use and disclose it only as permitted or required by law, the contract any of our corporate privacy policy and procedures. Any breach of this obligation to maintain the confidentiality of protected health information will be viewed very seriously and may result in termination of contract.**

### **Customers and Supplier Relations**

**Third Parties shall maintain straightforward business relationships with Highmark and its customers and suppliers.**

**Relationships should be based on the cost and the quality of the products and/or services, rather than on personal relationships.**

**Third Parties shall not take unfair advantage of Highmark customers through manipulation, coercion, misrepresentation of information, or abuse of privileged information.**

### **Proper Use of Company Assets**

**Third Parties should ensure that Highmark corporate assets are used only for valid business purposes. Highmark corporate assets include not only our equipment, funds and office supplies, but also concepts, business strategies and plans, financial data and other information about Highmark's business. These assets may not be used to derive personal gain.**



## Adherence to Fraud, Waste and Abuse Guidelines

•Generally, health care fraud is a misstatement of fact knowingly made for the purpose of obtaining health care benefits, service or other things of value.

•Third Parties must not make false claims, records or statements in order to secure payment of a fraudulent claim on behalf of Highmark.

•Highmark has policies and procedures in place to detect and prevent fraud, waste and abuse, and expects Third Parties to support the efforts of federal and state authorities in identifying and reporting incidents of fraud, waste and abuse.

•Third Parties who raise questions or report concerns regarding potential or actual fraud, waste and abuse matters in connection with any of our government programs, you are protected from retaliation and retribution for False Claims Act complaints, as well as any other applicable anti-retaliation protections.

## HIGHMARK'S EXPECTATIONS OF OUR APPOINTED PRODUCERS

•Make a conscientious effort to ascertain and understand all relevant circumstances pertaining to the client in order to recommend appropriate benefit plans.

•Inventory current benefit plans with the client to avoid selling duplicative insurance benefits.

•Honestly assess the likelihood that a client will meet underwriting and financial requirements and discover any adverse factor(s), to reduce false expectations of acceptance and adequacy of benefit plan.

•Possess a comprehensive understanding of products in order to honestly, openly, and effectively portray benefit plans and determine a client's understanding of key benefits and limitations.

•Clarify and verify the client's grasp of information and review pertinent issues.

•Protect proprietary and competitive information.

•Protect confidential health information and financial information in compliance with existing state and federal laws and regulations.

•Obey all laws, including antitrust, governing business and professional activities and represent products in an ethical manner without fraud, misrepresentation, exaggeration, coercion, scare tactics, or concealment of pertinent facts.

•Fully disclose, at all times, commission, and compensation arrangements to the client.

•Ensure appropriate relationships by not offering or accepting any inducements that might compromise a reasonable business decision. Avoid any conflict of interest or the appearance of any conflict of interest.

•Use only authorized promotional materials unless prior written approval has been obtained, and fairly focus presentation on positive benefit comparisons rather than disparaging remarks about the competition.

•Treat a client or a potential client with courtesy, respect, and priority in accordance with thoughtful, ethical, and legal business.



## COMPLYING WITH THE HIGHMARK THIRD PARTY CODE OF BUSINESS CONDUCT

Third Parties are expected to be knowledgeable of and adhere to the Highmark Third Party Code of Business Conduct and be responsible for monitoring compliance with the standards in this Third Party Code of Business Conduct. Third Parties are expected to seek guidance from Highmark when questions arise involving ethics and business conduct pertaining to company business and employee behaviors.

In addition to any other specific contractual requirement, whenever a third party provides services onsite at any Highmark campus location, Third Parties must conduct themselves in accordance and comply with all Highmark policies and procedures, including, but not limited to, onsite Tour Guidelines and other policies addressing the confidentiality of all visible and audible Highmark proprietary data.

## CONTACTS AND REPORTING CONCERNS

If you wish to report a questionable behavior by a Highmark employee or potential noncompliance situation, or if you suspect potential or actual fraud, waste and abuse you may contact the Highmark Integrity Office. In addition to being a resource for Highmark employees, the Integrity Office is available for questions by Highmark business partners like you.

When a report is made to the Integrity Office, appropriate action is taken to review and/or investigate the report. Third Parties are expected to cooperate with the investigation of a suspected violation of this Code of Business Conduct or violation of any governmental law or regulation. In addition, as required and/or appropriate, the Integrity Office may disclose investigation matters to applicable law enforcement or regulatory entities.

The Highmark Integrity Office offers various methods for reporting concerns:

•24-Hours a day/seven days a week Helpline: 1 (800) 985-1056

•U.S. Post Office Box:  
Highmark Inc. Integrity Office P. O. Box 150  
Enola, PA 17025

•Fax: (717) 302-3650 or (412) 544-2475

•E-Mail: [integrity@highmark.com](mailto:integrity@highmark.com)

All inquires are confidential, subject to limitations imposed by law. When using the Integrity Helpline, you may remain anonymous. If you choose to make an anonymous report, you should provide enough information about the situation to allow us to properly investigate it. If you do not provide enough details, our ability to pursue the matter will be limited. Highmark maintains a reprisal-free environment and has a policy of non-retaliation and non-intimidation to encourage employees, Third Parties and their employees to raise ethical or legal concerns in good faith. Retaliation or intimidation against those who in good faith report wrong doing to Highmark, is prohibited.





Highmark is a registered mark of Highmark Inc.



## Highmark 2014 Working with Integrity Producer Training Certification

I acknowledge that I have completed the 2014 Highmark Inc. Appointed Producer Training "Working with Integrity". I understand that I am expected to be knowledgeable about and adhere to the Highmark Inc. Third Party Code of Business Conduct. I also understand that I have an obligation to report violations of law to the Highmark Inc. Integrity and Compliance Department utilizing one of the resources outlined in the training course, and the Highmark Inc. Third Party Code of Business Conduct documentation.

By checking this checkbox, I attest that I have completed the training and that I have received and will adhere to the Highmark Inc. Third Party Code of Business Conduct and fully understand the statements provided to me on this screen.

Signature: (Please type full name) \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: (MM/DD/YYYY) \_\_\_\_\_