Dear Valued Vendor,

Horizon Blue Cross Blue Shield of New Jersey, including its subsidiaries and affiliates (collectively, “Horizon BCBSNJ”), operates under high standards of conduct and we comply with all applicable laws, rules, regulations and subregulatory guidance. This includes always taking the proper steps to safeguard our members’ information. We expect the same level of conduct from all individuals, companies or others, working for, or on behalf of, Horizon BCBSNJ, directly or indirectly.

Horizon BCBSNJ's Vendor Code of Business Conduct and Ethics (“Vendor Code”) contains the general principles with which vendors must follow when doing business with us. The Vendor Code describes who is considered a “vendor” and includes descriptions of some of the laws that must be complied with.

Vendors are responsible for ensuring that their workforce members, as described in the Vendor Code, comply with the standards contained therein and with any more restrictive requirements set forth in the business agreement with Horizon BCBSNJ.

Please take the time to become familiar with the principles of the Vendor Code. Compliance is an important job and we want to be sure that you understand what is required of you.

Should you have any questions, please refer them to your Horizon BCBSNJ business contact or to one of the contacts listed on www.horizonblue.com/vendors.

We look forward to working with you and thank you for your ongoing commitment to compliance, ethics and excellence Horizon BCBSNJ is known for.

Robert A. Marino
Chairman, CEO & President
Horizon BCBSNJ

Alfred Koepppe
Chairman, Audit and Finance Committee
Horizon BCBSNJ Board of Directors

Timothy S. Susanin
Vice President, Chief Compliance & Risk Officer
Horizon BCBSNJ
Horizon BCBSNJ has a reputation for doing business with a commitment to honesty, ethics and excellence, and in compliance with all applicable laws, regulations and sub-regulatory guidance. Operating under consistently high standards of conduct is critical to Horizon BCBSNJ's success and all Vendors', are expected to conduct themselves accordingly. Vendors are responsible for ensuring that their employees, agents, contractors, consultants, temporary workers, volunteers and employees of subcontractors (Workforce Members) comply with the standards of conduct as described in this Vendor Code. Horizon BCBSNJ will request information, as necessary, from the Vendor to ensure such compliance.

Compliance with the Law - Horizon BCBSNJ is committed to complying with all applicable laws, regulations and standards including laws applicable to individuals and entities receiving federal funds. Vendors are expected to conduct their business in the same manner while providing services for Horizon BCBSNJ. Appropriate steps must be taken to effectively communicate regulatory requirements to Workforce Members. Certain Vendors are required to complete compliance training as required by their contract, or applicable law, or regulation particularly with respect to our members’ information.

Reporting Potential Misconduct - If a Vendor knows of, or reasonably suspects, a violation of this Vendor Code, a Horizon BCBSNJ policy, or any law, regulation or standard, in connection with work performed for Horizon BCBSNJ, the Vendor must report it to the Vendor's Horizon BCBSNJ business contact, the Horizon BCBSNJ Compliance and Ethics Office or the Horizon BCBSNJ Compliance Integrity Help Line. The Compliance Integrity Help Line is provided by Horizon BCBSNJ for vendors to report violations or suspected violations of this Vendor Code, or laws, regulations and standards without fear of retaliation. Reporting can be made anonymously at 1-800-658-6781. Failure to promptly report a known violation may result in action up to, and including, termination of the business relationship.

Fraud, Waste, Abuse, Dishonesty and Criminal Conduct – Horizon BCBSNJ will investigate all allegations of Fraud, Waste and Abuse (FWA). All suspected fraud, waste, abusive practices or dishonest actions, including those that involve Medicaid or Medicare Advantage and Part D fraud, waste or abuse, must be reported to the Horizon BCBSNJ Compliance and Ethics Office, the Horizon BCBSNJ Special Investigations Unit, the Compliance Integrity Help Line, the Horizon BCBSNJ Medicare Advantage Hotline, the Horizon BCBSNJ Medicare Part D Hotline, the Medicaid Fraud Hotline or the Horizon BCBSNJ Fraud Hotline. Contact information is provided at www.horizonblue.com/vendors.

Non-retaliation - Horizon BCBSNJ does not permit retaliation against any Vendor who, in good faith, reports a violation, or potential compliance violation. This is also true if the Vendor provides information to, or cooperates with, law enforcement or other regulatory agency in the context of an investigation. However, Horizon BCBSNJ may take action against a Vendor as a result of the Vendor’s involvement in a non-compliant activity.

Avoiding Conflicts of Interest - Vendors must avoid any conflict of interest with Horizon BCBSNJ and its employees. In order to avoid a conflict of interest by a Horizon BCBSNJ employee, a Vendor may not deal with any Horizon BCBSNJ employee who has an investment in the Vendor.

If a Vendor's employee has any type of personal or professional relationship with a Horizon BCBSNJ employee or Horizon BCBSNJ Board Member, or if a Vendor has any business relationship with Horizon BCBSNJ, a Horizon BCBSNJ employee or a Horizon BCBSNJ Board Member, that might represent a conflict of interest, the Vendor must disclose that relationship to Horizon BCBSNJ. Such disclosure should be made to the Vendor’s Horizon BCBSNJ business contact.

Gifts and Courtesies – The following gifts may not be given or accepted:

- Any gift inconsistent with customary business practices
- Any gift that is excessive in value
- Any gift that can hard the reputation of Horizon BCBSNJ if publicly disclosed
- Anything offered to or accepted from a government employee
- Gifts of cash or cash equivalents, such as non-merchant specific gift cards or gift certificates
Vendor Code of Business Conduct & Ethics

- A non-monetary gift that exceeds $100, or a gift that when combined with any other gifts provided to employees and their immediate family, exceeds a value of $100 in a twelve month period. Other restrictions may apply to any gifts, entertainment or anything of value from a Vendor who is a seller of pharmaceutical products, medical supplies or related products. Those Vendors must contact the Horizon BCBSNJ Compliance and Ethics Office prior to offering any business courtesy to a Horizon BCBSNJ employee.

No bribes, kickbacks or other similar payments, in any form, shall be made to anyone for the purpose of obtaining or retaining business or any other favorable action. No gifts or entertainment may be given as an inducement to generate any business, including that involving a federal health care program.

Horizon BCBSNJ’s purchasing decisions are made based on a Vendor’s ability to meet Horizon BCBSNJ’s needs and not on the basis of personal relationships or friendships. Gifts, meals, favors or entertainment that would likely result in an expectation of a personal obligation, should not be extended nor accepted.

Horizon BCBSNJ will never pressure any Vendor to purchase its products or services as a condition of doing business with Horizon BCBSNJ. Likewise, Vendors may not dictate purchases of goods or services from them simply because they are customers of Horizon BCBSNJ.

Respect and Integrity in the Workplace - Worker safety, health and the protection of the environment are essential priorities for Horizon BCBSNJ.

No type of violent or threatening behavior by a Vendor’s employees is permitted, including threats, threatening language or any other acts of aggression or violence against anyone while conducting Horizon BCBSNJ business. While working on Horizon BCBSNJ’s premises, or while engaging in Horizon BCBSNJ business, Vendor’s employees shall follow all Horizon BCBSNJ rules related to safety and security. Vendor’s employees, while on Horizon BCBSNJ property, must wear Horizon BCBSNJ-issued identification at all times. The Vendor’s employee may not give or loan the identification to anyone, nor borrow anyone else’s Horizon BCBSNJ identification badge or swipe their identification badge on behalf of anyone else, at any time, under any circumstance. In addition, the Vendor's employee may not use the identification card to allow access to anyone else to enter a Horizon BCBSNJ facility or restricted area within a Horizon BCBSNJ facility.

There is no tolerance for any form of discrimination or harassment, including sexual harassment, in the workplace. Discrimination and harassment are prohibited against any of the Vendor's or Horizon BCBSNJ's employees by reason of age, race, creed, religion, color, gender, pregnancy, national origin, marital status, sexual orientation, or any other protected class that is protected under any federal, state or local law, regulation or standard.

The possession, use, sale or purchase of illegal drugs, or the abuse of legal drugs or alcohol, on Horizon BCBSNJ premises, anywhere while conducting Horizon BCBSNJ business or in any situation where an individual may be identified as being associated with Horizon BCBSNJ is strictly prohibited.

Protecting Horizon BCBSNJ Assets - Horizon BCBSNJ resources may not be used for personal or financial gain unrelated to Horizon BCBSNJ business. Misuse of Horizon BCBSNJ assets may result in the denial or restriction of access to those assets and may subject the Vendor to action up to, and including, termination of the business relationship. Vendors may use Horizon BCBSNJ assets only to provide services or fulfill their contractual obligations to Horizon BCBSNJ, with permission from Horizon BCBSNJ. Horizon BCBSNJ assets include all physical property, information systems, work time, and information about Horizon BCBSNJ, it business, members, employees, customers and vendors, intellectual property, and Horizon BCBSNJ funds.

Vendors should have no expectation of privacy regarding communications produced with the use of Horizon BCBSNJ assets. Horizon BCBSNJ may review and disclose any communication or other material produced with the use of Horizon BCBSNJ assets, without a Vendor's knowledge or permission, for any legitimate business purpose. This includes e-mail, instant messaging, voicemail and other electronic communications systems.

Safeguarding Horizon BCBSNJ Information - Horizon BCBSNJ is committed to protecting its members’ and customers’ Private Information as well as our own confidential information. Private Information includes our
members’ Personal Health Information (PHI), as well as any other information we collect about our members, and confidential information includes Horizon BCBSNJ proprietary information. All Horizon BCBSNJ information, files and documents are considered confidential information.

Various state and federal laws and regulations, including the Health Insurance Portability and Accountability Act (HIPAA), govern Horizon BCBSNJ’s use and disclosure of its members’ Private Information. Private Information may not be used or disclosed except as permitted by Horizon BCBSNJ’s policies and applicable privacy and security rules. Generally, that means for the purpose of treatment, payment or health care operations, and with the member’s authorization.

In addition, when using, disclosing or requesting Private Information, HIPAA requires that only the minimum information necessary to accomplish a task be used, disclosed or requested. Using more than the minimum information necessary is a violation of Horizon BCBSNJ policy and may be a violation of the law.

In addition, generally, Vendors who provide services to, or on behalf of, Horizon BCBSNJ and require the use and disclosure of Private Information to perform those functions are considered Business Associates. Any Vendor who is a Business Associate must enter into a Business Associate Agreement with Horizon BCBSNJ, as required by HIPAA.

A Vendor who is a Business Associate of Horizon BCBSNJ must report any activities that may compromise the security of the data or systems or the privacy of Horizon BCBSNJ information in accordance with the terms of its Business Associate Agreement with Horizon BCBSNJ. Vendors who are not Business Associates of Horizon BCBSNJ must promptly report any activities that may compromise the security, privacy or confidentiality of Horizon BCBSNJ information. Failure to immediately report a security, privacy or confidentiality breach or violation may result in termination of the Vendor’s business relationship with Horizon BCBSNJ.

Vendors may not access, use or disclose private and confidential information unless they have a legitimate business need to do so and are performing an appropriate business function for Horizon BCBSNJ. Vendors must protect private, proprietary and confidential information even after they are no longer associated with Horizon BCBSNJ. When the relationship with Horizon BCBSNJ ends, Vendors must return all private, proprietary and confidential information. This information may not be disclosed to any unauthorized entity, such as a different company or employer, and cannot be used for any purpose other than to further Horizon BCBSNJ’s legitimate business interests.

**Passwords and Access** - All information used to access Horizon BCBSNJ’s information systems, including user IDs, access codes, computer passwords and password protected information (collectively, Access Codes) is completely confidential. Access Codes are to be used for the business purpose for which they were issued. Sharing Access Codes or using another person’s Access Code is prohibited. Violations may result in termination of the Vendor’s business relationship with Horizon BCBSNJ.

**Books and Records** - In conducting business with Horizon BCBSNJ, Vendors are expected to follow all laws, rules, standards, and Horizon BCBSNJ policies and procedures when accessing creating and managing records. Vendors must maintain records that are accurate in all material respects. Additionally, Vendors must not hide, fail to record or make false entries.

Vendors must retain accurate and complete records of all matters related to their business with Horizon BCBSNJ for the period of time required by applicable laws, regulations and contract requirements, whichever is longest.

When litigation or a governmental investigation, examination or audit is pending or threatened, relevant records must not be destroyed until that audit, examination, lawsuit or investigation is concluded. Horizon BCBSNJ's Legal Affairs Division or the Vendor’s Horizon BCBSNJ business contact will advise the Vendor of any document preservation or other requirements related to any audit, examination, lawsuit or investigation. Destruction or other alteration of documents or records in contemplation of an actual or possible legal proceeding or a governmental audit, investigation or examination could result in a criminal offense and may adversely affect Horizon BCBSNJ in a pending litigation or governmental investigation.
Horizon BCBSNJ’s Intellectual Property - Horizon BCBSNJ’s intellectual property is one of its most valuable assets. Intellectual property includes the product of any work created, made, developed, written or conceived which:

- resulted from work performed on behalf of Horizon BCBSNJ,
- used Horizon BCBSNJ equipment, materials, computer programs or facilities, or
- used Horizon BCBSNJ’s confidential or proprietary information.

Horizon BCBSNJ’s intellectual property may not be shared with others outside of Horizon BCBSNJ, unless specifically authorized, in writing, by Horizon BCBSNJ. When the Vendor’s relationship with Horizon BCBSNJ ends, all of Horizon BCBSNJ’s intellectual property, any third party intellectual property made available while associated with Horizon BCBSNJ, and any other work products that are in the Vendor’s possession must be returned to Horizon BCBSNJ.

Intellectual Property Rights of Others - Horizon BCBSNJ respects the intellectual property of others, and Vendors may not use or copy any copyrighted work without the approval of the copyright owner or its authorized agent. Generally, trademarks may be used as permitted by the license terms. When using Horizon BCBSNJ systems and equipment, Horizon BCBSNJ security policies and procedures must be followed. Only software that is properly licensed by Horizon BCBSNJ is permitted on Horizon BCBSNJ computers.

Fair Competition and Business Practices - Horizon BCBSNJ competes fairly in the marketplace and conducts its business with honesty and a commitment to compliance and ethics. Interactions must always be fair and in keeping with ethical business practices. Horizon BCBSNJ strictly adheres to all federal and state antitrust laws, and expects its vendors to as well. Violation of these laws, regardless of intent, exposes Horizon BCBSNJ, and individuals involved, to significant civil and criminal penalties, including fines and imprisonment. All forms of bribery are prohibited. Horizon BCBSNJ expects its vendors to comply with all applicable anti-corruption and anti-bribery laws.

Interacting with the Government - Any Vendors who are authorized to act on behalf of Horizon BCBSNJ with any governmental body or federal or state regulatory agency must do so in a direct, open, respectful and ethical manner. No action may be taken that could mislead any governmental representative. Additionally, Vendors must know and comply with the terms of any applicable government contract.

Vendors shall comply with all reasonable requests of authorized officials and governmental agencies. This includes cooperating to provide access to records or facilities, as required by law or regulation. If a Vendor is contacted in reference to a governmental inquiry, or at the start of any unscheduled audit, inquiry or document production request, the Vendor must contact the Horizon BCBSNJ Legal Affairs Department or the Horizon BCBSNJ Compliance and Ethics Office.

All Vendors must comply with all requirements that apply to the governmental contracting process. No payment of money, gifts, services, entertainment or anything of value may be offered to any government official or employee. No kickbacks or anything of value, in connection with activities involving a contract, including a government contract, may be accepted.

Federal Health Care Programs - Vendors are responsible for screening its Workforce Members to ensure that no entity or individual has been debarred or excluded or is otherwise ineligible for participation in federal health care programs (including Medicare and Medicaid). Such screening must occur at the time of hire, or contracting, and at least monthly thereafter. Horizon BCBSNJ will not do business with any individuals or entities who have been debarred or excluded. Vendors must notify Horizon BCBSNJ’s Compliance and Ethics Office if they, or any of their employees, agents or subcontractors, have been debarred or excluded from any federal health care program. Anyone identified as being debarred or excluded must be removed from servicing Horizon BCBSNJ business.
Compliance Contacts
In addition to the Vendor’s Horizon BCBSNJ business contact, a Vendor may obtain advice or report any violation, or suspected compliance violations, to:

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<tr>
<th>Compliance Contact</th>
<th>Contact Information</th>
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<tr>
<td>Horizon BCBSNJ Compliance Integrity Help Line</td>
<td>800-658-6781</td>
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<tr>
<td>Horizon BCBSNJ Compliance and Ethics Office</td>
<td>973-466-7100 or 973-466-5184 <a href="mailto:CorporateCompliance@HorizonBlue.com">CorporateCompliance@HorizonBlue.com</a></td>
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<tr>
<td>Horizon BCBSNJ Privacy Office</td>
<td>973-466-8715 or 973-466-7745</td>
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<td>Horizon BCBSNJ Information Security Governance</td>
<td>973-466-4496</td>
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<tr>
<td>Horizon BCBSNJ Special Investigations Unit</td>
<td>973-466-8724</td>
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<tr>
<td>Horizon BCBSNJ Medicare Part D Fraud, Waste and Abuse Hotline</td>
<td>888-889-2231</td>
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<tr>
<td>Horizon BCBSNJ Medicare Advantage Fraud, Waste and Abuse Hotline</td>
<td>800-624-2048</td>
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<tr>
<td>Horizon BCBSNJ Fraud Hotline</td>
<td>800-624-2048</td>
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<tr>
<td>Horizon BCBSNJ Legal Affairs</td>
<td>973-466-7737</td>
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<tr>
<td>Horizon NJ Health Medicaid Fraud Hotline</td>
<td>855-372-8320</td>
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Key Regulatory Requirements
Vendors are required to follow the spirit and the letter of the laws and regulations to which Horizon BCBSNJ is subject. While the listing below is not inclusive of all of such laws and regulations, it does provide an overview of some important requirements that apply to Horizon BCBSNJ business.
**Fraud, Waste and Abuse**

**Medicare Regulations and Guidelines** from the Centers for Medicare and Medicaid Services (CMS) govern Medicare Advantage Organizations and Medicare Prescription Drug plans and, in part, require the implementation of an effective compliance program to prevent, detect, and correct fraud, waste and abuse and Medicare Program noncompliance.

**The Federal False Claims Act (FCA)** prohibits knowingly submitting a false or fraudulent claim (to Medicare, Medicaid or other federal health care program) for payment. The FCA also allows whistle blower lawsuits, and provides protection of whistle blowers against any retaliation by their employers for reporting potential fraud or abuse.

**The Anti-Kickback Statute** prohibits knowingly and willfully offering or making, requesting or receiving anything of value (including bribes, kickbacks and rebates) from a vendor, supplier, provider, member or beneficiary in return for payment or reimbursement under a government program.

**The Stark Law (Physician Self-Referral Law)** prohibits a physician from making certain referrals to a particular entity if he/she has an ownership/ investment interest or a compensation arrangement with that entity.

**The New Jersey Insurance Fraud Prevention Act** requires the development of fraud prevention programs and the repayment of fraudulently obtained insurance benefits, thereby reducing the amount of premium dollars used to pay fraudulent claims.

**Medicaid Contract Provisions** require referral of proven cases of fraud to the New Jersey Office of State Comptroller’s Medicaid Fraud Division for screening, for advice and/or for the assistance on follow-up actions to be taken.

**Privacy and Security**

**The Health Insurance Portability and Accountability Act (HIPAA)** requires health plans, providers, clearing houses and their business associates to protect the confidentiality, integrity and availability of health care information, in all forms, and provides safeguards to prevent unauthorized access to protected health care information.

**The Patient Protection and Affordable Care Act** requires transparency along with the expansion of Medicaid eligibility requirements.

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Note: This Vendor Code sets forth general principles with which Vendors must comply. More restrictive requirements may be set forth in the business agreement with Horizon BCBSNJ. In addition, this Vendor Code will be automatically amended to incorporate any change or modification of applicable state or federal law, regulation or standard as of the effective date of the change or modification.

Horizon Blue Cross Blue Shield of New Jersey is an independent licensee of the Blue Cross and Blue Shield Association. The Blue Cross® and Blue Shield® names and symbols are registered marks of the Blue Cross and Blue Shield Association. The Horizon® name and symbols are registered marks of Horizon Blue Cross Blue Shield of New Jersey. © 2017 Horizon Blue Cross Blue Shield of New Jersey. Three Penn Plaza East, Newark, New Jersey 07105
The term “Vendors” includes all individuals, companies or other working for, or on behalf of, Horizon BCBSNJ directly, or indirectly and all suppliers, vendors, health care providers, pharmacies and first-tier, downstream and related entities and their vendors.