



Standards of Conduct for Board Members, Officers, Employees, Contractors, Agents and Volunteers of Sun River Health

I. Statement of Purpose

In our continuing effort to fulfill our organizational mission, Sun River Health is committed to high standards and compliance with all applicable laws and regulations. All Board members (officers and directors), employees, contractors, agents, and volunteers (“Individual Affiliated with Sun River Health”) are expected to meet high standards of professional behavior whenever he or she acts on behalf of Sun River Health. This is true whether dealing with other employees, patients, providers, vendors, government regulators and/or the general public. The purposes of these standards are to provide safeguards to ensure Sun River Health’s compliance with laws and regulations relating to fraud and abuse as well as to prevent Individuals Affiliated with Sun River Health from (1) using their positions for purposes that are, or give the appearance of being, motivated by a desire for private financial gain for themselves or others such as those with whom they have family, business or other ties; and (2) from violating their duty to Sun River Health by inappropriately disclosing confidential information.

II. General Responsibilities

The Board of Directors of Sun River Health recognizes the paramount importance of maintaining Sun River Health’s reputation for integrity that includes, but is not limited to, assuring compliance with applicable Federal, State, and local laws and regulations, as well as fulfilling contractual obligations.

Every Individual Affiliated with Sun River Health is responsible for ensuring that his or her conduct is consistent with these Standards of Conduct, Sun River Health’s Compliance Program, Sun River Health’s policies and procedures, and generally accepted standards of professionalism, courtesy, and respect. Furthermore, Individuals Affiliated with Sun River Health in supervisory positions must assume, and are charged with, responsibility for ensuring that the conduct of everyone they supervise complies with these Standards of Conduct. Each Individual Affiliated with Sun River Health has a personal responsibility for becoming familiar with and complying with the laws, regulations, and policies and procedures related to his or her responsibilities.

All Individuals Affiliated with Sun River Health are required to comply with this Standards of Conduct by signing and returning the acknowledgement attached to this document as Exhibit A.

III. Standards of Conduct

In general, Sun River Health expects that all Individuals Affiliated with Sun River Health will behave in a professional and courteous manner. In addition, these Standards of Conduct describe specific standards to which individuals are expected to adhere.

A. Confidentiality of Information

Individuals Affiliated with Sun River Health may acquire confidential or proprietary information by virtue of their positions within, or affiliation with, Sun River Health. The term “confidential or proprietary information” shall mean any and all information (whether written, oral, or contained on audio tapes, video tapes or computer diskettes)

relating to the governance, business, operation, and financial condition of Sun River Health and/or any of its vendors or collaboration partners, as well as any and all other information determined to be confidential. All information communicated at executive sessions or other closed sessions of the Sun River Health Board of Directors is confidential and proprietary information. Sun River Health's Board of Directors or its Chief Executive Officer (CEO) may determine that other information, including information shared in Board and/or committee meetings, is confidential or proprietary on a case-by-case basis.

Confidential or proprietary information may not be: (1) disclosed outside of Sun River Health without appropriate authorization from the CEO (or in the case of Board members, by the Board Chairperson in conjunction with the CEO); or (2) used for personal gain or for the benefit of a third party. Individuals Affiliated with Sun River Health are expected to exercise reasonable care to avoid the inadvertent disclosure of confidential information and will be bound by (and required to comply with) the confidentiality provisions contained in agreements executed between Sun River Health and other organizations and/or individuals, as well as Sun River Health's internal confidentiality policies and procedures. Individuals Affiliated with Sun River Health may be required to sign a Confidentiality Agreement and/or Business Associate Agreement, as appropriate, that specifically limits the context in which, and persons to whom, confidential information may be communicated. Officers and members of the Board also have a fiduciary duty to not communicate confidential information about Sun River Health to anyone who is not also an officer or member of the Board, respectively, absent the explicit authorization of the full Board of Directors.

B. Conflicts of Interest

1. General Prohibition

Individuals Affiliated with Sun River Health must strive to make decisions fairly and objectively and always act in the best interests of Sun River Health, without regard to any personal pecuniary benefit or any benefit to a third party, and with undivided allegiance. As Sun River Health is a Federal grantee under the Department of Health and Human Services (DHHS), these standards for managing Conflicts of Interest are also necessary to comply with the Federal Uniform Administrative Requirements set forth at 2 C.F.R. §200.318(c) and DHHS regulations found at 2 C.F.R. 45 C.F.R. §75.327(c). No Individuals Affiliated with Sun River Health shall participate in Sun River Health's selection, award, or administration of any contract or grant, paid in whole or in part with Federal funds, when a real or apparent Conflict of Interest (as defined below) is involved.

2. Definitions

Interest. A person has an "Interest" if he or she has, directly, or indirectly through a family member or business partner:

- a business relationship (e.g., an actual or forthcoming compensation arrangement whether by contract or employment) with: (1) Sun River Health; (2) an entity with which Sun River Health has entered (or is negotiating to enter) a transaction or arrangement; or (3) an entity that is a competitor or potential competitor of Sun River Health;
- a financial relationship (e.g., a controlling or material ownership, or investment interest, employment relationship or other relationship that a reasonable person would deem significant) with or tangible personal benefit from: (1) an entity with which Sun River Health has entered (or is negotiating to enter) a transaction or arrangement; or (2) an entity that is a competitor or potential competitor of Sun River Health;
- a fiduciary relationship (e.g., Board member or trustee) with: (1) an entity with which Sun River Health has entered (or is negotiating to enter) a transaction or arrangement; (2) an entity that is a competitor or potential competitor of Sun River Health; or
- a personal relationship with an individual who has a business, financial or fiduciary relationship as defined above. A personal relationship means a relationship based on family, business partnership, friendship or romance.

Any interest in a company through publicly-traded stocks, bonds or mutual funds available to the general public shall not constitute an Interest, provided the ownership or investment interest is less than one percent of the company's shares.

Conflict of Interest. A “Conflict of Interest” arises whenever the Interest of a person competes with or has the potential to compete with the best interests of Sun River Health. A Conflict of Interest is presumed to exist if a person with an Interest is involved in any way in the transaction or arrangement in which he or she has such Interest.

3. Affirmative Disclosure Requirements

It is the policy of Sun River Health that all Interests shall be fully disclosed by any Individual Affiliated with Sun River Health regardless of whether a Conflict of Interest is determined to exist.

Annual Disclosures. Sun River Health requires that all Individuals Affiliated with Sun River Health and persons seeking to affiliate with Sun River Health disclose in writing (and update at least annually): (1) all Interests that may create an actual or potential Conflict of Interest, and (2) where applicable, provide a statement suggesting how such Conflict of Interest could be avoided or mitigated.

In order to facilitate such full disclosure, Sun River Health requires that all Individuals Affiliated with Sun River Health and persons seeking to affiliate with Sun River Health annually complete the Disclosure Form attached as Exhibit B. Completion of a Disclosure Form does not relieve individuals of the obligation to comply with these Standards of Conduct with regard to disclosure of Interests that may occur after the filing of the Disclosure Form (e.g., with respect to a particular transaction).

Supplemental Income. Sun River Health requires that all employees of Sun River Health, as well as all potential employees, disclose in writing (and update at least annually) any specifics of any plans to accept supplemental income outside Sun River Health employment so that Sun River Health may determine whether such outside employment or consultancy conflicts, or has the potential or appearance to conflict, with the interests of Sun River Health. Sun River Health’s prior approval of such outside employment or consultancy is required.

Continuing Obligation. Sun River Health requires that all Individuals Affiliated with Sun River Health and persons seeking to affiliate with Sun River Health disclose Interests that arise after the annual filing of the Disclosure Form.

Recipients of Disclosures.

- Members of, and candidates for membership on, the Board of Directors shall make disclosures to the Chair of the Board of Directors. If the Chair has such an Interest, he or she must make disclosure to the Vice Chair, who will, in turn, be responsible for advising the Board.
- The CEO shall make disclosures to the Chair of the Board who will be responsible for advising the Board of such disclosure.
- All other Individuals Affiliated with Sun River Health shall make disclosures in writing to the CEO.

4. Determining Whether a Conflict of Interest Exists

In the case of a potentially conflicted person who is either a Board member or the CEO, that person may make a presentation to the Board regarding whether he or she has a Conflict of Interest, and may respond to related questions from the Board. However, after such presentation, he or she shall leave the meeting during any discussion of, or vote on, whether a Conflict of Interest exists, and if such Conflict of Interest is determined by the Board to exist, he or she shall leave the meeting during any discussion of, and voting on, the transaction or arrangement that involves the Conflict of Interest. For all other potentially conflicted persons who are Individuals Affiliated with Sun River Health, the CEO shall determine whether a Conflict of Interest exists.

5. Procedures for Addressing the Conflict of Interest

Procurement. If the Conflict of Interest involves procurement by Sun River Health, the process shall be conducted in accordance with Section III(C) of these Standards of Conduct and Sun River Health's Board-approved Purchasing Policy.

Alternative Arrangements. In other instances, the Board shall, as it may deem appropriate, appoint the CEO to investigate alternatives to the proposed transaction or arrangement and make recommendations. After exercising due diligence, the Board or, in the case of Individuals Affiliated with Sun River Health who are not Board members or the CEO, the CEO shall determine whether Sun River Health can obtain an equivalent (or more advantageous) transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a Conflict of Interest.

Sun River Health's Best Interests. If an alternative transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a Conflict of Interest, the Board or CEO, as applicable, shall determine (if Board, then by a majority vote of the disinterested Board members) whether, notwithstanding the Conflict of Interest, the transaction or arrangement is in Sun River Health's best interest, for its own benefit and whether the transaction is fair and reasonable to Sun River Health such that it would constitute an "arms-length" transaction (and be consistent with 45 C.F.R. Part 75 standards, as may be amended from time to time).

Pervasive Conflicts of Interest. In circumstances where there are material continuing or pervasive Conflicts of Interest, an individual may be required by the Board of Sun River Health or the CEO, as applicable, to withdraw from his or her position with Sun River Health unless the individual, family member or business associate chooses to disassociate from the outside position that causes the Conflict of Interest.

6. Violations of the Standards of Managing Conflicts of Interest

If the Board or CEO, as applicable, has reasonable cause to believe that a person has failed to disclose an Interest, the person shall be informed of the basis for such belief and afforded an opportunity to explain the alleged failure to disclose. If, after hearing the response of the individual who failed to disclose an Interest, and making such further investigation as may be warranted in the circumstances, the Board or CEO determines that the individual has in fact failed to disclose an Interest in accordance with these Standards of Conduct, appropriate corrective and/or disciplinary action shall be taken, including removal of the individual from the selection, negotiation, or administration of any contracts or grants to which Sun River Health is a party, and/or admonishment or removal from the Board in accordance with the then current Sun River Health Bylaws.

7. Records of Proceedings

The minutes of the Board and all committees with Board-delegated powers and those records as determined by the CEO shall contain:

Conflicts of Interest. The names of the people who disclosed or otherwise were found to have an Interest in connection with an actual or potential Conflict of Interest and the nature of the Interest; any action taken to determine whether a Conflict of Interest was present; and the Board or CEO's decision, as applicable, as to whether a Conflict of Interest in fact existed.

Management of Conflicts. For transactions where a Conflict of Interest has been disclosed or otherwise found to exist, the names of the persons who were present for discussions and votes relating to the transaction or arrangement, and the names of the persons who recused themselves; the content of the discussion, including any alternatives to the proposed transaction or arrangement or Sun River Health's best interest; and a record of any votes taken in connection therewith.

C. Vendors and Procurement Standards

Sun River Health will conduct all procurement transactions in a manner to provide, to the maximum extent possible, practical, open, and free competition, in accordance with Sun River Health's Board-approved Purchasing Policy. Said Purchasing Policy will address, among other things, the following principles:

- No Individual Affiliated with Sun River Health may participate in the selection, award, or administration of a contract supported by Federal funds, in whole or in part, if a real or apparent Conflict of Interest (as defined in Section III.B above) would be involved.
- Sun River Health will maintain written standards of conduct covering Organizational Conflicts of Interest as defined by 45 C.F.R. § 75.327(c)(2). Such an Organizational Conflict of Interest means that because of relationships with a parent company, affiliate, or subsidiary organization, Sun River Health is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.
- Sun River Health will be sensitive to, and seek to avoid, non-competitive practices among contractors. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors/consultants that develop or draft grant applications, or contract specifications, requirements, statements of work, invitations for bids and/or requests for proposals shall be excluded from competing for such procurements.
- Awards will be made to the bidder whose bid is responsive to the solicitation and most advantageous to Sun River Health, in terms of price, quality, and other factors. Sun River Health retains the right to reject any and all bids or offers when it is in Sun River Health's interest to do so.

D. Use of Corporate Assets

The assets of Sun River Health include its physical offices, equipment, corporate funds, technologies, concepts, business strategies and plans, as well as other information about the business that may be considered private or proprietary. Individuals Associated with Sun River Health may not use these assets to provide personal gain for themselves or for other private individuals, nor may Individuals Associated with Sun River Health provide others with any such assets.

E. Nepotism

Except under extenuating circumstances, as determined by the CEO, Sun River Health will not hire any individual (or assign, transfer or promote a current employee) who is related to one of its employees or contractors, if in the position being applied for (or assigned, transferred or promoted to), the applicant will supervise, be supervised by, or have a direct reporting relationship with the related employee or contractor. Every applicant for employment or consultancy with Sun River Health must disclose any and all family, business and personal relationships with an Individual Affiliated with Sun River Health. Members of the Sun River Health Board of Directors and their Immediate family members are not eligible for employment at Sun River Health.

F. Gifts

No Individuals Affiliated with Sun River Health may solicit or accept gifts, gratuities, favors or anything of value from any current or potential patient, vendor or contractor of Sun River Health, or any current or potential party to a sub-agreement with Sun River Health. Every Individual Affiliated with Sun River Health will decline or return any gift and notify the CEO of such gift.

A "gift" is defined as anything of value offered directly by or on behalf of an actual or potential patient, vendor or contractor, except for promotional materials of little or nominal value such as pens, calendars, mugs, and other items intended for wide distribution and not easily resold. Gifts include (but are not limited to): personal gifts, such as sporting goods, household furnishings and liquor; social entertainment or tickets to sporting events; personal loans or privileges to obtain discounted merchandise, and the like.

G. Bribery

Both federal and state laws specifically prohibit any form of kickback, bribe or rebate made directly or indirectly, overtly or covertly, in cash or in kind to induce the purchase, recommendation to purchase, or referral of any kind of healthcare goods, services or items paid for by Medicare, Medicaid, or other federal or state healthcare programs. Sun River Health will immediately dismiss, remove and, as applicable, terminate the employment or contract of any Individuals Affiliated with Sun River Health who offered or accepted a bribe to secure funding or other benefits for or from Sun River Health.

H. Cooperation and Honest Dealing with Government Officials

No Individuals Affiliated with Sun River Health will attempt to influence actions or decisions made by government bodies, officials, employees, or contractors, unless specifically authorized to do so consistent with applicable Sun River Health policy. Individuals Affiliated with Sun River Health will be cooperative and truthful in their dealings with any governmental inquiries or requests, including audits, surveys, and certification reviews. However, Individuals Affiliated with Sun River Health who are not authorized to speak on behalf of Sun River Health will not respond to any governmental inquiries or requests, including audits, surveys, and certification reviews, and will promptly report any such inquiries or requests to Sun River Health's CEO, Compliance Officer or other member of senior management.

I. Political Activities

Individuals Affiliated with Sun River Health will not participate or intervene in any political campaign in support of or in opposition to any candidate for elected public office while at work during business hours or when acting in his/her official capacity / position as an Individual Affiliated with Sun River Health. A political campaign is deemed to begin when an individual announces his or her candidacy for an elective public office or is proposed by others for an elective public office. Individuals Affiliated with Sun River Health may not use Sun River Health's name, logo (or other means of identification as affiliated with Sun River Health), facility or any resources in connection with political campaign activities.

J. Lobbying

Lobbying is generally defined as a communication (written or oral) that is an attempt to influence (for or against) specific legislation including appropriations. Any lobbying activities proposed to be undertaken by Sun River Health or by any Individuals Affiliated with Sun River Health on behalf of Sun River Health shall require the prior approval of the CEO. Any Individuals Affiliated with Sun River Health undertaking lobbying activities will work with the CEO, or his or her designee, to ensure that such activities are supported by non-Federal resources and that all disclosures and reporting of lobbying activities required by State or Federal law are submitted in a timely manner.

K. Financial Accounting and Reporting

Sun River Health's financial records and accounts must always be prepared accurately and reliably. To this point, Sun River Health implements controls to its accounting methods and follows established accounting principles to assure an accurate record of all transactions. Cost reports will present truthful, accurate and complete cost report data, schedules, and work sheets using only properly allowable costs that are absolutely and reasonably incurred.

L. Trade Practices / Antitrust

Antitrust laws are designed to preserve and foster fair and honest competition within the free-market system. To accomplish this goal, the language of these laws are deliberately broad, prohibiting such activities as "unfair methods of competition" and agreements "in restraint of trade".

Sun River Health fully complies with all antitrust laws. In furtherance of this, employees, contractors and Directors must never discuss, in any form of communication, the make-up of patients, geographic areas, or services; the circumstances under which business will be conducted with suppliers, insurance companies, patients, or customers

(including boycotts); or specific marketing efforts with any competitors should be avoided. Further, discussions of future business plans of Sun River Health or any competitors should be avoided. Finally, employees, contractors and Directors should never discuss prices, reimbursement, or salary levels with any competitor.

M. Medical Necessity and Quality of Care

Sun River Health is committed to providing the highest quality of care and services necessary to attain or maintain each patient's highest practicable physical, mental, and psycho-social well-being. Sun River Health will make every effort to guard against excessive costs by avoiding duplicative diagnostic procedures, reviewing frequency and appropriateness of treatments without compromising quality patient care; and evaluating routine studies and treatments – as evidenced by a fully and accurately documented medical record.

N. Accurate Claims for Reimbursement

Sun River Health will bill patients only for services and care provided. All claims for reimbursement to third party payers that are submitted on behalf of the organization must contain accurate and true information and must only reflect services provided as supported by the patient's medical record. Sun River Health ensures that no individual intentionally falsifies a claim. Such conduct is a crime and could result in immediate, severe sanctions. Billing errors, either intentional or accidental, expose Sun River Health and the responsible party to civil and/or criminal liabilities under the Medicare and Medicaid programs and the federal and state False Claims Acts.

IV. Your Role in the Adhering to the Standards of Conduct

Individuals Affiliated with Sun River Health are expected to comply with Sun River Health's Standards of Conduct, and its policies and procedures and are required to promptly report concerns regarding compliance with said Standards of Conduct, and its policies and procedures or other laws, regulations or policies.

Reporting potential non-compliance and participating in Sun River Health's compliance activities are elements of the job performance of each Individual Affiliated with Sun River Health and is a service to Sun River Health. Reports should normally be made initially through standard management channels, beginning with an immediate supervisor. As an alternative, Individuals Affiliated with Sun River Health also may make such report to the Compliance Officer. For Board members, reports should be made directly to the Compliance Officer. All reports may be made confidentially, and even anonymously. Individuals Affiliated with Sun River Health are expected to cooperate fully in the investigation of any potential non-compliance.

Any Individual Affiliated with Sun River Health who reports a compliance concern in good faith is protected by law from retaliation. Any Individual Affiliated with Sun River Health who retaliates against another Individual Affiliated with Sun River Health for his or her reporting of potential non-compliance or his or her participation in addressing potential non-compliance is subject to discipline. Additionally, any Individual Affiliated with Sun River Health who makes intentionally false accusations regarding a compliance concern is subject to discipline.

Depending on the severity of the violation, violations of these Standards of Conduct may result in the following: (1) for employees, contractors, agents and volunteers – oral admonishment, written reprimand, reassignment, demotion, suspension, and/or separation, in addition to legal penalties which might apply; and (2) for officers and members of the Board of Directors – oral admonishment or removal from the Board.

This Standards of Conduct shall be reviewed periodically and updated consistent with the requirements established by the Board of Directors, Sun River Health's senior management, Federal and State law and regulations, and applicable accrediting and review organizations.