



CODE OF CONDUCT



DIAKON CODE OF CONDUCT

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Dear Colleague:

True to Diakon's mission, by living out our core values of Respect, Stewardship, Service and Quality, we build a culture in which we can all take pride. These values are reflected in our daily activities of providing hope; promoting physical, emotional, and spiritual healing; and preserving the dignity of all those to whom we minister while striving consistently to provide value for each patient, resident, family member, customer, and employee.

Together we have created this culture by adhering to a simple, but powerful formula: By taking care of our people, our patients, residents, and customers, good results will follow. We also have consistently focused on the following to help guide our behaviors and decisions:

- We honor the dignity of fellow employees, clients, residents, vendors, volunteers, directors, personnel from governmental and accrediting bodies, and all others with whom we come in contact on behalf of Diakon.
- We are honest and forthright in all our communication and will use our words to “build up” rather than “tear down,” individuals and the organization
- We are good stewards of our compensated time and will not misuse or misappropriate any of Diakon's property, supplies, including computers, software, networks, and access to the Internet, nor will we violate applicable copyright laws or licensing agreements.
- We are partners with one another in creating a safe workplace, complying with all safety programs, policies, and procedures and assisting one another to do so.

Diakon continues to strive for organizational excellence by finding ways to work smarter and do our jobs better. Our commitment to performance improvement is reflected in everything we do, including our efforts to improve quality, create a culture of service excellence, improve efficiency and grow our ministry. Our commitment to “do the right thing,”—to our ethics, our values, and to our compliance program—is consistent with the foundations of our culture.

This Code of Conduct is a resource that sets forth the ethical and legal standards that guide every Diakon employee. It also is a symbol of our commitment to do the right thing. We ask you to take the time to read and understand its contents. It is applicable to all aspects of our business.

As part of Diakon's commitment to quality and customer service, we need to make sure every colleague has the ability to express any concerns or complaints without fear of reprisal or any other penalty. We do this in two ways. Every member of Diakon's Management Team has an open-door philosophy that encourages employees to contact their immediate supervisor and, if necessary, to proceed up the chain of command to resolve problems and concerns. You may always opt to call Diakon's Compliance Hotline at 1-855-561-7821. The Hotline is confidential and has been developed to maintain the caller's anonymity up to the limits of the law. We can assure you that there will be no retaliation or retribution against any employee who, in good faith, reports concerns to the Hotline, or to any supervisor or manager.

Our focus on the quality of care provided to our clients and residents, our commitment to supporting our colleagues, and our efforts to be effective stewards of our resources position us as a leading provider of post-acute and community-based services in the markets we serve. Thank you again for your focus on excellence, customer service, quality, and compliance!

Best regards,

Mark Pile, President/Chief Executive Officer



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OVERVIEW

The Diakon Code of Conduct (Code) describes Diakon's values, standards, and expectations that apply to all parts of our operations. The Code defines the appropriate relationships Diakon strives to have with patients, residents, employees, customers, contractors and the communities in which we work. In order for Diakon to grow and prosper, all employees, contractors, volunteers and board members must follow the spirit of this Code.

Diakon recognizes that as a multi-faceted ministry we must comply with a wide spectrum of laws and regulations including those pertaining to the provision of health-care services. We must make every effort to identify where there are risks of non-compliance. The Diakon Code supports these efforts by promoting ethical and legal behavior as well as transparency across all aspects of the organization.

The Code covers many areas of potentially unethical and illegal behavior, but it is not possible to list all activities that could raise compliance concerns. In many instances, Diakon's policies and procedures provide detailed guidance on how to handle situations that may not be immediately clear. But there may be some situations in which neither the Code nor Diakon's policies provide the guidance needed. In these cases, you should consult with your supervisor or manager, or the compliance or legal services offices to be sure that decisions made and actions taken reflect Diakon's values and commitment to compliance.

This Code of Conduct will provide support to all board members, employees, and contractors so they may have a clear understanding of Diakon's:

- commitment to act with integrity;
- expectations for acting with integrity inside and outside the workplace;
- tools to report questions and concerns regarding integrity matters; and
- available resources to learn more about integrity.



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WHAT IS DIAKON'S COMMITMENT TO INTEGRITY?

Diakon is committed to providing quality client/resident care and outstanding customer service in order to become the most trusted and respected community service and health-care provider in every community we serve. To achieve this goal, we are driven by our commitment to our mission and our values. Our management philosophy is simple: focus on our people, quality, and customer service and positive results will follow.

This Code of Conduct serves as a statement of your commitment to act with integrity on behalf of our ministry. However, it is also a reflection of Diakon's responsibility to conduct all business and operations in an ethical and professional manner. It is never acceptable for any Diakon representative to act in any manner that is not in accordance with these standards of excellence.

MISSION STATEMENT

In response to God's Love in Jesus Christ, Diakon Lutheran Social Ministries will demonstrate God's command to love thy neighbor through acts of service.

DIAKON'S COMPLIANCE PROGRAM: ENTERPRISE WIDE RISK MANAGEMENT

Diakon's compliance program is a comprehensive effort to promote ethical, compliant, and legal behavior while detecting and preventing fraud, waste, abuse, and policy violations. Simply put, Diakon's compliance program is designed to assist employees and business partners to integrate these values and effective performance improvement into all aspects of operations. Diakon's compliance office assists in coordinating and implementing the program.

To promote enterprise-wide risk management, Diakon continues to build systems and processes throughout every level of the organization. The compliance program is administered by the compliance office and headed by the Chief Compliance Officer (CCO). The CCO reports directly to the president/CEO and the board of directors and the department functions independently of Diakon operations. Compliance efforts are also guided by the Director of Compliance and Risk Management (SLS) and Performance Improvement Coordinator (DCFCM). The office's mission is to maintain a structure and process that promote ethical behavior and compliance with legal requirements and company policies, resulting in quality care, accurate financial statements, and organizational excellence. The following seven elements form the core of the program:

- Written standards of conduct
- Oversight
- Training
- Monitoring and auditing
- Performance improvement
- Reporting mechanisms
- Internal response and corrective action



QUESTION:
How do I use Diakon's Code of Conduct

ANSWER:
Diakon's Code of Conduct points to the fact that we are a Lutheran faith based organization. While our ministry is diverse our commitment to service unifies us. You should use the Code of Conduct as a leadership tool that helps you and your colleagues keep sight of this. Facts, circumstances and issues of the day are unique, however, acting with dignity, being honest and forthright in our communications, guiding each other in our efforts to be responsible stewards, and building each other up in order to support our important mission are all worthy goals that are consistent with Diakon's Code of Conduct.



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COMPREHENSIVE GUIDANCE

Board members, officers, employees, contractors, subcontractors, vendors or other entities or individuals with whom Diakon has entered into a contract or other arrangement to conduct business on behalf of Diakon must review and observe Diakon's Code of Conduct to ensure that all actions are consistent with Diakon's values and principles. Anyone conducting business on behalf of Diakon must follow all relevant laws and regulations for all billing, coding, and patient/resident care service requirements. We all help to promote Diakon's success by following the standards described in the Code.

HOW CAN I ACT WITH INTEGRITY IN THE DIAKON WORKPLACE?

QUALITY OF CARE AND SERVICES

Diakon strives to:

- Sustain the highest service quality
- Provide a respectful work environment
- Produce continuous financial transparency
- Accurately bill only for services that are delivered, documented, and medically necessary
- Maintain appropriate confidentiality of sensitive and protected information
- Uphold the highest ethical standards

Dedication to quality is demonstrated in our goals to:

- Understand our customer's expectations
- Provide care and services in a timely and reasonable manner
- Be responsive to patient, resident and family concerns
- Maintain patients/residents' rights and dignity at all times while they are under our care

Patient/Resident Rights

Each client or resident is an individual entitled to dignity, consideration, and respect. Client/resident abuse or neglect is not tolerated in any Diakon program or community. Diakon respects the rights of clients and residents and their families to participate in health-care decisions. Employees and contractors are expected to adhere to practices that promote these measures. Acting with integrity within the workplace means ensuring that your actions are consistent with Diakon's



QUESTION:

What should I do if I feel that the practices in my facility/department are in violation of the Code of Conduct?

ANSWER:

You should raise this concern with your manager or supervisor. If you are uncomfortable doing so or the situation involves your manager or supervisor, you may proceed to the next level of management or use one of the other reporting mechanisms discussed in the Code of Conduct, such as the Compliance Hotline 1-855-561-7821. Additionally, each member of Diakon's Management Team has adopted an "open-door" philosophy and is always available to hear your concerns.



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commitment to excellence in all of these areas. Residents and clients must be informed of their rights, as required by law. This information includes the right to participate in decisions on whether to consent to or refuse treatment. In certain instances, a client's or resident's decision regarding care may conflict with Diakon's policies.

These kinds of ethical issues should be reviewed under Diakon's policies and procedures and applicable state and federal laws. Diakon also has an ethics committee available to address these concerns. We are committed to providing information that will promote knowledgeable decision-making. When clients and residents are in our facilities, we promote ethical, innovative, professional and compassionate care in an environment that addresses physical, social, emotional, and spiritual needs.

DISCRIMINATION- AND HARASSMENT-FREE WORKPLACE

Diakon prohibits discrimination and all forms of harassment because of a person's race, color, religious creed, age, national origin, ancestry, sexual orientation, disability, veteran status, pregnancy, marital status, gender, gender identity, gender expression, genetic information, or any other status or condition protected by state or federal law.

All board members, officers, employees, and contractors share in the responsibility to prevent discrimination and harassment and should report any witnessed instances of this conduct.

To deliver on Diakon's commitment to quality, we should: 1. work toward the highest degree of performance; 2. behave professionally at all times; and 3. promote high standards and integrity. This effort includes using respectful communication and behaving properly at all times.

INTERNAL REPORTING AND HOTLINE INTEGRITY

Diakon provides mechanisms for internal reporting via the "open-door philosophy" and the Compliance Hotline. We are each responsible for reporting, in good faith, possible instances of wrongdoing and/or non-compliance with regulations or policies. All reported concerns are taken seriously and the process of investigating all matters will be handled with professionalism and confidentiality. Investigations are to be conducted with the intended purpose of identifying any possible non-compliance with policies and procedures, rules or regulations, with goals of: 1. understanding the root cause; 2. developing and implementing plans to ensure there is no recurrence of the situation; and 3. improvements in processes are made.



QUESTION:

What should I do if I experience or witness discrimination or harassment in the workplace?

ANSWER:

You are encouraged and expected to report such occurrences through one of the methods Diakon has provided to you. You may, as you find appropriate, report incidents to:

- your supervisor or manager
- a department director or vice president
- Local HR office or HR Central office at 1-888-558-2559
- Compliance Hotline
1-855-561-7821

If you feel the matter has not been taken seriously, you are encouraged to continue pursuing the matter through the next level of management. For more information regarding this topic, please refer to the Diakon Employee Handbook.



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FRAUD, WASTE AND ABUSE (MEDICAL)

- Fraud is a false statement made or submitted by an individual or entity who knows that the statement is false, and knows that the false statement could result in some otherwise unauthorized benefit to the individual or entity. These false statements could be verbal or written.
- Waste generally means overuse of services, or other practices that result in unnecessary costs. In most cases, waste is not considered to be caused by reckless actions but rather the misuse of resources.
- Abuse generally refers to provider, contractor, or member practices that are inconsistent with sound business, financial, or medical practices, and that cause unnecessary costs to the health-care system.

FRAUD, WASTE AND ABUSE (FINANCIAL)

Diakon is committed to detecting and preventing fraud and financial waste and abuse. Diakon has developed and implemented policies and procedures to ensure compliance with the laws that govern our operations. In addition to written policies and procedures, Diakon provides regular education to employees, agents, and contractors on combating fraud, waste and abuse through general and role-based compliance training on applicable false claims laws, including the Federal False Claims Act (FCA) and similar state laws.

The Federal FCA, 31 U.S.C. Sections 3729-3733, and similar state laws assist the federal and state governments in combating fraud and abuse and recovering losses resulting from fraud in government programs, purchases, and contracts. These laws prohibit the knowing and/or intentional use of false or fraudulent claims, records or statements for the purpose of obtaining payment from the government. These laws apply to Medicare and Medicaid program reimbursement and prohibit, among other things, billing for services not rendered; billing for undocumented services; falsifying cost reports; billing for medically unnecessary services; assigning improper codes to secure reimbursement or higher reimbursement; participating in kickbacks; and retaining an overpayment for services or items. A violation of these laws may result in civil, criminal and administrative penalties, including monetary penalties, imprisonment, exclusion from participation in Medicare and Medicaid, and loss of licensure status. Federal law and some state laws allow private citizens to file a lawsuit on behalf of the government and to share in a percentage of any monetary recovery or settlement.

These laws and Diakon policy prohibit retaliating or discriminating against employees, agents, or contractors because of their initiation of, or participation in an investigation, government report, claim or proceeding. These laws also provide for certain monetary awards and equitable relief to a prevailing plaintiff, including compensation for lost wages and reinstatement to a former position. Suspected false claims violations should be reported to Diakon management, Diakon's Compliance Hotline (1-855-561-7821), or to the appropriate federal or state agency.

SAFEGUARDING OF RESOURCES

• Health Insurance Portability and Accountability Act (HIPAA)

Diakon's officers, employees and contractors are each responsible for maintaining the confidentiality of all patient, resident and employee protected health information (PHI). PHI is defined as individually identifiable health information that is transmitted or maintained in any form or medium, including electronic health information. To ensure the security of PHI, Diakon takes reasonable measures including, but not limited to, the following:

- Encryption of devices
- Use of password protection



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- Limitations on accessibility to information
- Guidelines for maintaining paper documents and storing electronic devices in home office and during travel
- Restrictions on placement of unauthorized software on Diakon devices

Any unauthorized exposure of PHI, which reasonably compromises the security or privacy of PHI, is a potential breach that must be appropriately addressed. If you become aware of a breach or potential breach of any protected or sensitive information, it is necessary that the situation be immediately reported to Diakon management or Diakon's Compliance Hotline (1-855-561-7821) so that all federal and state notification requirements may be carried out. If the disclosure of the PHI results in a breach of information, Diakon will investigate and comply with all state and federal regulations. Failure to do so may subject Diakon to fines and penalties in accordance with the rules and requirements of HIPAA. Employees who fail to follow these guidelines will be subject to discipline consistent with our HR policies.

- **Personal Property** – Any mishandling of patient or resident property must be promptly reported to supervisors. Employees entrusted with direct handling of patient or resident funds (e.g., resident trust funds) will be held accountable for the integrity and accuracy of those funds and records.

COMPANY PROTECTION

- **Document Management** – Diakon's document management policy practices apply to all company documents and establishes procedures for retaining, preserving, and disposing of such materials in both paper and electronic form. This policy provides guidelines that will assist with regulatory compliance and pending legal activity as well as efficiency of daily operations.
- **Legal Holds** – Diakon will take steps to notify all relevant personnel of the requirement to suspend established procedures for the disposal of records, whether those records are electronic, paper or audio. Legal holds will be put in place by Diakon's legal counsel when such records are subject to legal suits, government investigations, subpoenas, and other official inquiries and investigations.
- **Proprietary Information** – Confidential information about Diakon's business is a valuable asset and is intended for use only within Diakon. All information concerning Diakon's finances, operations, products, policies, customers, development plans, computer programs and related information should be treated as proprietary and confidential. This information should not be released to anyone outside Diakon such as competitors, suppliers, outside contractors, or business associates.
- **Property, Equipment and Supplies** – We should use Diakon resources for authorized business purposes only. Diakon's assets, property, facilities, equipment, and supplies should be protected against loss, theft, damage, and misuse.
- **Personnel Files** – Diakon personnel files also are confidential. Only individuals authorized according to Diakon policy and state and federal law will have access to employee records.



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CONTRACTORS AND VENDORS

Any independent contractor, subcontractor, or vendor conducting business on behalf of Diakon must adhere to all applicable laws and regulations. Entities are encouraged to have their own compliance program and also are expected to comply with the standards of Diakon's Code of Conduct. Contractors and vendors providing services on Diakon's behalf must show proof of licensure, certification, or other evidence of provider competency. Before providing services on Diakon's behalf, contractors and vendors must clear appropriate background checks via our sanction check process.

HOW CAN I ACT WITH INTEGRITY IN INTERACTIONS OUTSIDE OF THE DIAKON WORKPLACE?

Building trusted relationships with external entities with which we do business and others in the communities we serve is an important part of Diakon's business. As representatives of one of the largest social ministry organizations with operations in Pennsylvania and Maryland, we have a duty to demonstrate professionalism and integrity in every setting. With respect to all Diakon matters, we also accept responsibility to adhere to our values and goals amid changing technological environments and within personal interactions even while outside Diakon facilities and offices.

GIFTS, GRATUITIES AND BUSINESS COURTESIES

Diakon prohibits its employees from accepting any gift, gratuity, or business courtesy from its vendors, contractors, residents, residents' families, or potential business affiliates. Likewise, Diakon prohibits the giving to persons or businesses in a position to influence the referral of business, including patients, residents, and other Diakon customers. Further, no employee of Diakon may solicit or obtain any improper personal benefit by virtue of his or her work or employment with the company. Exceptions may apply under specific laws. If you have questions, please contact the Diakon's legal services office.



QUESTION:
What should I do if I am unsure of whether an agreement with a contractor is appropriate or legal?

ANSWER:
You should not enter into the agreement or contract until verification of its legality and adherence to Diakon standards is obtained. A legal services office review of an agreement or contractor may be requested at any time.

QUESTION: A vendor that I do business with offered me tickets to a professional football game. I don't plan on using them but wanted to give them to my brother. Is this okay?

ANSWER:
Only if the gift does not exceed nominal value. Although Diakon encourages establishing positive relationships with our business associates, accepting a gift in excess of nominal value, even if we don't plan to use it ourselves, is strictly prohibited. The acceptance of such a gift, whether intended to do so or not, may create the appearance that Diakon will be unfairly influenced to do business or continue to do business with that particular vendor. You should thank the vendor and politely decline the offer. Offers of gifts that may exceed nominal value must be disclosed to Diakon's Compliance Officer so that a conflict of interest assessment can be performed.



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KICKBACKS, REFERRALS AND BRIBES

The Anti-Kickback law makes it a crime to knowingly and willfully offer, pay, solicit, or receive something of value to induce or reward referrals of business under federal health-care programs. In accordance with this statute, Diakon does not accept or offer to provide anything of value in exchange for the direct or indirect referral of patients, residents, or business or, in return, for buying services or supplies. Some examples of kickbacks, referrals, and bribes may include, but are not limited to, the following:

- Making payments to or from referral sources that exceed fair market value
- Providing or accepting free or discounted goods or services among referral sources
- Establishing payment arrangements with vendors, suppliers, or referral sources where reimbursement is based on the amount of volume of business rather than the value of the services provided

To ensure compliance with these laws, Diakon requires that all agreements with referral sources and purchasers of Diakon's services in cases where Diakon is the referral source be put in writing. Contract review by Diakon's legal services office is required before agreements are finalized.

CONFLICTS OF INTEREST

Diakon's employees, officers, and board members should not engage in any activities that conflict with the interests of Diakon. It is impossible to describe all of the situations that may give rise to a conflict of interest, but some examples include:

- A Diakon employee accepts outside employment in an organization that does business with Diakon or is a competitor of the organization and it interferes with the employee's commitment to Diakon's professional standards. While certain employees, such as nurses, are not prohibited from working shifts at another facility, this additional work should be discussed with supervisors and should not interfere with the employee's work commitment to Diakon.
 - A Diakon employee or an immediate family member has a material financial interest in a firm that does business with Diakon or is a competitor of the organization where the interest may affect the employee's decisions or actions.
 - A Diakon employee or an immediate family member serves as a director, officer, employee, consultant or agent of an organization that is a competitor of or does business with Diakon.
 - A Diakon employee or an immediate family member uses any confidential information about Diakon for personal gain or the benefit of others.
 - A Diakon employee or an immediate family member appropriates for personal use the benefit of any Diakon business venture, which the employee learns about while working at Diakon.
 - A Diakon employee accepts gifts from any person or firm doing or seeking to do business with Diakon under circumstances in which it appears the purpose of the gift may be to influence the conduct of business with the donor.
- Diakon's employees, officers, and board members have a responsibility to put the interests of Diakon and our patients and residents ahead of any other business



QUESTION:

A representative from a clinical education firm that just provided some on-site clinical education to myself and to three of my Diakon co-workers offered us tickets to a minor league baseball game. The face value of each ticket is nominal (under twenty dollars). Since neither I nor my co-workers has the authority to make decisions on further engaging this company can we accept the tickets?

ANSWER:

No. Even though you are not in a position to decide whether or not to give this company additional business we do not want there to be a perception that you can "buy" Diakon's business. Business decisions will be merit based and we want to avoid situations where there is an actual or perceived conflict of interest. Additionally, if this offer was made by a resident or a resident's family you should thank them for their gracious offer and politely decline.

QUESTION: A resident's family arrive for a visit at 6:00 pm and brought two large pizzas for the staff – what should I do?

ANSWER:

This type of gesture does not single out a individual or group of staff members and is not likely to be perceived as something that may lead to preferential treatment of the resident. As such, this would be permitted. However, if the family wanted to give the entire staff a gift certificate to dine at a restaurant, acceptance of such may be perceived by other residents or their families negatively and should be declined.



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interests they may have. Any potential conflicts of interest should be disclosed to supervisors upon hire or as they occur. These instances may include any additional employment accepted while working for Diakon as well as any other business or personal relationships that may pose conflicts of interest. Directors and executive officers should disclose any potential conflicts of interest to Diakon's board of directors. Potential conflicts of interest need to be approved or ratified by an employee's supervisor, Diakon's board of directors, or an appropriate committee of the board of directors.

GIFTS TO PUBLIC OFFICIALS

As a general rule, federal laws and the laws of most states prohibit giving anything of value to government officials with the intent to influence the decisions of government. In accordance with these laws, Diakon's policy is that nothing of value may be given to federal or state government officials. As a company that employs registered lobbyists, Diakon is specifically subject to the gift restrictions imposed by the Lobbying Disclosure Act of 1995. Officers, employees and contractors acting on behalf of Diakon are prohibited from providing gifts or reimbursement of travel expenses to a member or staff of Congress, unless the circumstances are otherwise noted under an exception within the rules of the House and Senate. It should be noted that these restrictions apply to gifts of even minimal value and also extend to family members of such individuals.

Likewise, there are federal and state laws that define the circumstances in which a corporation can contribute to political campaigns. Diakon's policy is that the organization will not contribute anything of value to the political campaign of any person running for office unless specifically permitted by law.

SOCIAL MEDIA

The Internet provides unique opportunities to participate in interactive discussions and share information using a variety of social media, such as email discussion groups, blogs or chat rooms, Facebook, Twitter, Instagram, Snapchat, and LinkedIn ("social media"). Diakon recognizes that the information, comments, and opinions placed on social media sites and blogs can shape the way the public views our delivery of care and treatment of patients, residents, our employees and contractors. Diakon is committed to ensuring that the use of such communications serves the needs of our business by maintaining Diakon's identity, integrity, and reputation in a manner consistent with our values and policies. Staff are prohibited from posting any client or resident information, including photos, on any social media site. As well, it is our policy to avoid "friendly" or otherwise comments with clients and residents and/or with their families on social media.

In addition, employees' use of social media can pose risks to Diakon's confidential and proprietary business information and can jeopardize Diakon's compliance with business rules and laws. To minimize these business and legal risks, to avoid loss of productivity and distraction from employees' job performance, and to ensure that Diakon's information technology systems are used only for business purposes, we have established rules and guidelines for online communications.

WHAT SHOULD I DO IF I HAVE A QUESTION OR CONCERN?

Each employee's willingness to report concerns is an important part of the effectiveness of Diakon's compliance program. We are each responsible for reporting suspected violations of the Code and program standards. It is not acceptable to overlook actual or potential wrongdoing and all integrity concerns should be pursued until addressed appropriately.



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OPEN DOOR PHILOSOPHY

Diakon's open-door philosophy is practiced by all Diakon Management Team members. This philosophy encourages employees to contact their immediate supervisor and, if necessary, proceed up the chain of command to resolve problems and concerns.

COMPLIANCE HOTLINE

If use of the open-door philosophy is inappropriate or ineffective or if an individual seeks anonymity in reporting a concern, Diakon has a Compliance Hotline that may be used (1-855-561-7821). The Compliance Hotline is available 24 hours a day, seven days a week, for individuals to report any compliance-related concern. An external party operates the Hotline and callers are reminded that they are not required to identify themselves. Diakon will make every attempt to protect callers' anonymity within the limits of the law. All concerns reported to the Hotline are taken seriously and will be addressed to the fullest extent necessary. Therefore, it is important to use the Hotline appropriately. Individuals who intentionally misuse the Compliance Hotline may be subject to disciplinary action.

EXTERNAL REPORTING

In addition to use of the internal reporting mechanisms made available by Diakon, any individual who has concerns about the safety or quality of care provided may report these concerns to an appropriate federal or state agency.



Question:

What if I am not comfortable talking to my supervisor?

Answer:

We are each responsible for reporting concerns and actual or potential wrongdoing. Some areas of violation, including but not limited to abuse and fraudulent activity, require reporting and failing to do so is unacceptable. Employees are encouraged to discuss concerns with their immediate supervisor; however, a variety of reporting mechanisms is provided so that you may make the most appropriate choice based on the specific situation. Diakon's open-door philosophy encourages colleagues to access any Management Team colleagues. Diakon also has an anonymous Compliance Hotline that may be used (1-855-561-7821) at any time.

QUESTION:

What can I expect to happen or see as an outcome after sending a complaint to Diakon's Compliance Hotline?

ANSWER:

When appropriate, you may be contacted by the investigator or designee either during or at the conclusion of the investigation to discuss the outcome. If you choose to retain your reference number and check the status of the report via the Hotline, you will be told if the report is currently open or closed. Investigative findings will not be provided via the Hotline. In order to protect the rights of involved parties, you will not be told if any disciplinary action resulted from the call. However, if found to be necessary, you may witness changes, corrections, or education taking place within the facility or program as a result of a reported issue.

Question:

What should I do if I feel retaliated against?

Answer:

Diakon will not tolerate retaliation in any form. If you experience retaliation, you should report it immediately to a supervisor or to the Compliance Hotline (1-855-561-7821) so that it may be investigated and addressed.



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ELDER JUSTICE ACT ABUSE REPORTING REQUIREMENTS

Pursuant to the Elder Justice Act (EJA) the manager, agent, or contractor (covered individual) of a long-term care facility that receives at least \$10,000 in federal funds annually must report any reasonable suspicion of a crime committed against any individual who is a resident of, or is receiving care from, the facility. Each covered individual shall report the suspected crime to one or more local law enforcement agencies and to the Secretary of the Department of Health and Human Services or to the agency designated by the secretary to receive such reports.

The report must be made within two hours of forming a reasonable suspicion that a crime has occurred if there is a serious bodily injury and within 24 hours of forming a reasonable suspicion that a crime has occurred if there is no serious bodily injury. Covered individuals who fail to report shall be subject to a civil money penalty of up to \$200,000 and may be excluded from participation in any federal health care program. If a covered individual's failure to report a crime results in further injury to the victim of the crime or results in harm to another individual, the civil monetary penalty may be increased to \$300,000.

A long-term care facility may not retaliate against, discharge, demote, suspend, threaten, harass, or deny a promotion to or take any other employment-related benefit away from any employee, or in any other manner discriminate against an employee in the terms and conditions of employment—or file a complaint or report against a nurse or employee—for making a report as required by the EJA. An employee has the right to file a complaint with the HHS secretary or the agency designated by the secretary, against a long-term care facility that violates the reporting requirements of the EJA. A long-term care facility that violates the anti-retaliation provisions of the EJA shall be subject to a civil monetary penalty of up to \$200,000 and may be excluded from participation in any Federal health care program for a period of two years.

Upon reasonable suspicion that a crime was committed, your supervisor and Diakon's Chief Compliance Officer, should be contacted immediately. Consistent with Diakon's internal investigation policy, the compliance officer, legal services office, or their designee will conduct and oversee the internal investigation and communication with law enforcement.

NO RETALIATION

Diakon employees and others who report a possible violation of this Code through an internal process, to an appropriate federal or state agency, must not be subjected to retaliation, retribution, or harassment by Diakon or any of its employees. Any supervisor, manager, or employee who conducts or condones retribution, retaliation, or harassment in any way will be subject to disciplinary action up to and including termination of employment.



QUESTION:

How can I be sure I am following the most current policies and procedures?

ANSWER:

All of Diakon's current policies are posted on the Diakon Portal. Enterprise-wide and division-specific policies and procedures may be found under the appropriate heading. All compliance policies and procedures may be found on the risk management and compliance office section of the Diakon Portal.

QUESTION:

How can I learn about what training is required of me?

ANSWER:

Diakon monitors training requirements within the Learning Management System (Relias). The LMS is available to all employees, who may log in to view their own required training, training in progress, completed training, a training catalog, and training history.



DIAKON CODE OF CONDUCT

WHAT RESOURCES ARE AVAILABLE TO HELP ME ACT WITH INTEGRITY ON BEHALF OF DIAKON?

Diakon is federally reimbursed for services rendered and, as such, is subject to a variety of regulations and requirements imposed by federal and state legislation designed to assist in combating fraud and abuse and recovering losses resulting from fraudulent activity. Diakon is committed to complying with all health, safety, environmental, and employment laws. Company policies and procedures are written and upheld in accordance with these laws. Diakon continually provides a comprehensive collection of resources for all employees.

REGULATIONS AND REQUIREMENTS

The Federal False Claims Act, 31 USC §§ 3729-3733 and similar state laws (Please see Page 6)

HEALTH, SAFETY AND ENVIRONMENTAL LAWS

- Regulate the handling and disposal of infectious materials, such as syringes.
- Direct the use of medical equipment and related reporting requirements.
- Guide the use of protective equipment to prevent the spread of infectious diseases.
- Regulate the storage, security, handling, and disposal of hazardous materials.

WORKPLACE CONDUCT, EQUAL EMPLOYMENT OPPORTUNITY AND DISCRIMINATION

Diakon:

- Operates as an equal opportunity/affirmative action employer.
- Administers policies without regard to race, color, religious creed, age, national origin, ancestry, sexual orientation, disability, veteran status, pregnancy, marital status, gender, gender identity, gender expression, genetic information, or any other status or condition protected by state or federal law.
- Prohibits discrimination and harassment.

ANTITRUST LAWS AND ANTI-KICKBACK STATUTE

Diakon's policy is to comply with the letter and spirit of the antitrust laws of the United States. These laws are designed to foster free and open competition in the marketplace. Diakon employees should not participate in any discussion, understanding, agreement, plan, or scheme—formal or informal—with any competitor or potential competitor that restricts



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competition. Examples of activities that could violate the antitrust laws include making arrangements or having discussions with competitors about prices, price levels, and market territories, or refusing to deal with certain customers to other competitors.

- Foster free and open competition in the marketplace.
- Prohibit any discussion, understanding, agreement, plan, or scheme with any competitor or potential competitor, which restricts competition.
- Ensure that referrals for health-care services are based on medical need and not on financial or other types of incentives to individuals or groups.

GOVERNMENT REQUESTS FOR INFORMATION

Diakon's policy is to comply with all reasonable and lawful requests for information and documents made by federal, state, and local government officials. All questions about requests for information and documents may be directed to Diakon's Compliance Department for guidance. While Diakon will comply with these requests, the law does not require disclosure of certain information, which may include, but is not limited to:

- Certain patient or resident information that may be protected by medical-records privacy laws.
- Certain quality assurance information compiled by Diakon facilities in accordance with federal and state requirements.

POLICIES AND PROCEDURES

Diakon's policies and procedures, along with this Code of Conduct, provide guidance on how to perform job responsibilities ethically and legally. Each individual must become aware of the policies. Now located on the Power DMS.

TRAINING

Diakon recognizes that education and training are critical to the provision of quality care and services, accurate billing practices, and ethical and legal business operations. Therefore, Diakon has established training programs to provide detailed guidance on compliance issues and to make certain that each Diakon representative receives the information needed to perform appropriately.

- Minimum training requirements established within the compliance program and the lines of business must be achieved and tracked.
- Certain information is collected as part of Diakon's peer review process to review and evaluate the credentials of health-care providers furnishing services in Diakon facilities.
- General Compliance Training focuses on Diakon's compliance program, the Code of Conduct, and other regulatory and compliance topics.
- Role-Based Training focuses on information an employee needs to perform job responsibilities properly.



DIAKON CODE OF CONDUCT

CODE OF CONDUCT

We believe that all people are unique gifts of God to be valued.

This means that:

- We will support Diakon's mission to demonstrate God's command to love the neighbor through acts of service
- We will honor the dignity of fellow employees, clients, residents, vendors, volunteers, directors, personnel from governmental and accrediting bodies, and all others with whom we come in contact on behalf of Diakon
- We will be honest and forthright in all our communication and will use our words to "build up," rather than "tear down," individuals and the organization
- We will be fair and consistent in all of our interactions with people and will not discriminate in our services, programs, admission, or employment on the basis of race, color, religion, disability, ancestry, national origin, sexual orientation, age, marital status or gender, nor will we tolerate discriminatory behavior by anyone in our organization
- We will be respectful and will not harass or otherwise attempt to intimidate or demean any person or groups of persons, nor will we tolerate harassing behavior by anyone in our organization
- We will maintain the confidentiality, privacy and security of all information with which we are entrusted about residents, clients, and their families and about Diakon's employees and business and will strive to ensure that no information is ever shared in an unauthorized manner

We believe that we are responsible to God, the church and society for the use of all our precious resources.

This means that:

- We are committed to helping Diakon be a good corporate citizen and a model for other organizations
- We will fully comply with all applicable federal, state and local laws and regulations
- We will report suspected non-compliance to our Compliance Office and cooperate with internal and external audits and investigations
- We will not tolerate retaliation against any employee who reports suspected noncompliance
- We will create and maintain accurate and complete business records and follow generally accepted accounting principles
- We will create and maintain accurate and complete clinical records, in order to provide quality care for our residents and clients and to meet the documentation standards required by reimbursement regulations
- We will use Diakon's assets faithfully for mission



DIAKON CODE OF CONDUCT

- We will be good stewards of our compensated time and will not misuse or misappropriate any of Diakon's property, supplies, including computers, software, networks, and access to the Internet, nor will we violate applicable copyright laws or licensing agreements
- We will be good stewards of the environment, honoring the natural resources we have been given and handling our hazardous materials and waste with care

We believe that all work that affirms God's creation has worth and dignity.

This means that:

- We will not compromise the worth and dignity of our work by engaging in any activity or conduct which conflicts, or appears to conflict, with the interests of Diakon, its residents or clients, and we will disclose to Diakon any potential conflict of interest
- We will not offer anything of value to any individual or entity, nor will we accept anything of value from any individual or entity, in return for referral of business that may be subject to payment by a federal or state reimbursement program
- We will not accept money, or gifts of more than nominal value, from residents and clients, or their families. Exceptions may be made for gifts donated for fair distribution among a continuing care retirement community's employees if no employee has solicited or encouraged such gift
- We will not accept money, or gifts of more than nominal value, from vendors or any other individual or entity with whom we have a professional or business relationship, except that given through our agency's authorized fundraising efforts
- We will not attempt to influence any government official, accrediting body, vendor, purchaser, resident or client by offering money, gifts or services
- We will not use any of Diakon's resources to contribute to political campaigns, parties, organizations or candidates

We believe that teamwork, continual learning, and Innovation enhance the quality of service.

This means that:

- We will provide quality care and service in a cost-effective manner
- We will focus consistently on quality improvement and resident/client/family satisfaction
- We will participate in continuing education so that we know what is required of us and how to carry out our responsibilities with integrity, excellence, and diligence
- We will be partners with one another in creating a safe workplace, complying with all safety programs, policies and procedures and assisting one another to do so

*Approved by the Diakon Board of Directors
August 16, 2000*

*Revised by the Diakon Board of Directors
April 26, 2018*



COMPLIANCE PROGRAM and CODE OF CONDUCT

Employee Certification

I have received training on Diakon Lutheran Social Ministries Corporate Compliance Program and Code of Conduct and understand the Program and Code as applicable to my conduct as an employee:

I agree to comply with the Corporate Compliance Program and Code of Conduct, including affirmative obligation to report any violations or suspected violations of the Program, Code, or any applicable federal or state law; and I understand that if I have any questions or concerns about the Compliance Program or Code of Conduct, I should consult my supervisor or the Chief Compliance Officer; and

I understand that my failure, to comply with Diakon’s Corporate Compliance Program and Code of Conduct, including the reporting requirements, will subject me to disciplinary action pursuant to the employee disciplinary procedure.

I represent that I am in complete compliance with the Compliance Program and Code of Conduct in my conduct as an employee of Diakon, OR

I hereby disclose the following matter, event or transaction which is or may be a violation of the Compliance Program or Code of Conduct:

I agree to update this certification in writing if there are any changes in the information contained herein.

I represent and warrant that I am not now, and at no time have been, excluded or suspended from participation in any Federal health care program, including Medicare and Medicaid, and agree to immediately notify my supervisor, the Compliance Officer, or the Compliance Hotline of any threatened, proposed or actual exclusion or suspension of me from any Federal health care program.

I also acknowledge that the Corporate Compliance Program and Code of Conduct do not represent any type of employment contract or agreement and that my employment is on an “at will” basis.

Signature: _____

Date: _____

Name Printed: _____

Position: _____

Diakon employee

Diakon vendor

Diakon volunteer/intern/Board Member