

# INTEGRITY. STANDS STRONG.

There is no right way to do the wrong thing.



National Committee for  
Quality Assurance  
Code of Conduct





## A Letter from Our President



Dear Colleagues,

Since our founding in 1990, NCQA has been dedicated to improving health care quality. The NCQA seal is a widely recognized symbol of quality, and health plans in every state, the District of Columbia, and Puerto Rico are NCQA

Accredited. These plans cover 109 million Americans, or 70.5 percent of all Americans enrolled in health plans. This achievement is due to the hard work performed by you and your colleagues everyday.

The following Code of Conduct was adopted by NCQA to demonstrate our commitment to fulfill our mission with integrity and respect for others. The Code is a framework for all employees to understand NCQA's values. The Code is also an integral part of NCQA's Corporate Compliance Program that describes the expectations for all employees to act responsibly and ethically in furtherance of NCQA's mission. It is through the acts and behaviors of each of us that NCQA's reputation is protected and its mission is fulfilled.

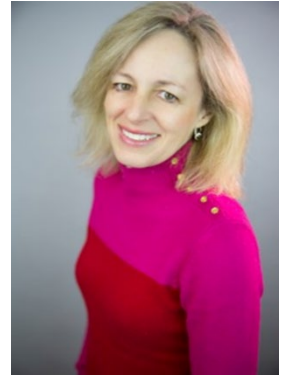
I am proud to work with the talented staff of NCQA and thank all of you for your dedication and commitment to NCQA's mission.

Sincerely,

A handwritten signature in black ink that reads "Peggy O'Kane". The signature is fluid and cursive, with the first name being the most prominent.

Peggy O'Kane  
President

## A Letter from Our General Counsel, Chief Privacy Officer and Compliance Officer



Dear Colleagues,

Each of us needs to understand and follow NCQA's Code of Conduct and Corporate Compliance Program. Through our pledge to follow the Code, NCQA achieves a culture of responsible and ethical behavior. NCQA has developed

employee policies to help us understand and comply with the legal and ethical standards required for our work. These policies are referenced in the Code and full texts can be viewed on NCQA's intranet. We have also created the Compliance Committee of the Board of Directors and an Internal Compliance Committee to further demonstrate our commitment to a strong culture of compliance.

The Code of Conduct and our employee policies outline principles to guide our acts and behavior. These documents may not address every situation and you may have additional questions. Throughout this document you will see the titles of key persons of whom you can ask questions, seek guidance about the policies, and report any suspected violations of the Code. If you have a concern to report and wish to remain anonymous you may also use NCQA's confidential Reporting Hotline described in the Code.

Thank you all for your support of NCQA's compliance efforts.

Sincerely,

A handwritten signature in black ink that reads "Sharon King Donohue". The signature is cursive and somewhat stylized, with a long horizontal line extending from the end.

Sharon King Donohue  
General Counsel, CPO and CCO

## Our Mission

To improve the quality of health care.

## Our Vision

Better health care. Better choices. Better health.

## Our Values

The four NCQA elected values below lay the foundation for our organizational culture and serve as high level guidelines for decision making and how we work together.

### **RESPECT. FLEXIBILITY. COMMUNICATION. TRUST. REFLECT!**

**RESPECT.** We are a diverse community, committed to fostering a kind, compassionate, and supportive work environment where all are valued and recognized.

**FLEXIBILITY.** We are committed to helping each other balance personal and organizational needs through our willingness to be open-minded and adaptable.

**COMMUNICATION.** We are committed to an open, honest, and respectful environment that values everyone's thoughts and opinions, and promotes shared knowledge and understanding.

**TRUST.** We are committed to an ethical environment that promotes integrity, responsibility, and accountability. Trust is the foundation of our relationships.

# Table of Contents

<b>A Letter from Our President</b>	<b>ii</b>
<b>A Letter from Our General Counsel, Chief Privacy Officer and Compliance Officer</b>	<b>ii</b>
<b>Our Mission</b>	<b>iii</b>
<b>Our Vision</b>	<b>iii</b>
<b>Our Values</b>	<b>iii</b>
<b>Introduction</b>	<b>1</b>
<b>Reporting Concerns and Seeking Guidance</b>	<b>2</b>
No Retaliation	2
<b>Higher Expectations for Supervisors</b>	<b>3</b>
<b>Respecting Each Other</b>	<b>4</b>
Discrimination and Harassment	4
Workplace Health and Safety	4
<b>Doing Business with the U.S. Government</b>	<b>5</b>
Bids and Proposals	5
Accurate Records and Information	6
Contract Performance	7
Employment of Current and Former Government Officials	8
Combating Trafficking in Persons Policy	9
Kickbacks and Other Improper Payments	10
Lobbying and Political Activity	10
Background Checks and Other Unique Employment Requirements	10
Use of Technology and Certain Imported Supplies	11
<b>Competing Fairly and Ethically</b>	<b>12</b>
Competitor Interactions	12
Competitor Information	13
<b>Keeping Accurate Records</b>	<b>14</b>
Records Retention	14
<b>Protecting NCQA Assets</b>	<b>15</b>
Confidential and Sensitive Information	15
Private Personal Information	16
Appropriate Use of Computer and Network Systems	16
NCQA's Reputation	17
<b>Obeying Insider Trading Laws</b>	<b>18</b>
<b>Avoiding Conflicts of Interest</b>	<b>19</b>
Gifts and Entertainment	19
Personal Relationships	20
Outside Employment	20



## Introduction

At NCQA, we succeed on the basis of our quality products and services and the ethical way we do business. Together, we have built NCQA's reputation for high ethical standards. In order to further that reputation, we must each take the time to know and follow our Code of Conduct ("Code").

The Code applies to everyone doing business on behalf of NCQA's Workforce, which includes all employees, consultants who are required to sign a Workforce Agreement, officers, and directors. Each of us represents NCQA wherever we operate, and we must reflect NCQA's ethical standards in all of our business conduct. To ensure this conduct in all facets of our operations, NCQA has made a commitment to only doing business with vendors, contractors, consultants, and other business partners who share our high standards of ethical business conduct.

The Code serves as our guide for how we are expected to conduct business. We must all read and understand the Code, and follow it in all of our business activities. The Code provides information, support, and resources to help ensure that we act ethically and adhere to the laws that affect our business. Violations of the Code are taken seriously and may result in disciplinary action, up to and including termination, as well as criminal and/or civil liability.

Each of us has a responsibility to learn about any additional requirements outside of the Code that apply to our individual work. If you need assistance doing so or have any questions, please contact any of the resources listed in [Reporting Concerns and Seeking Guidance](#).

# Reporting Concerns and Seeking Guidance

No one document can possibly provide answers for every question you might face. Rather, the Code serves as a guide to ethical and legal conduct. As such, it is designed to show us how to make ethical and legal decisions in our daily work. However, at times, it may be difficult to know the right course of action. If you are not sure what to do, you should not simply guess and move forward. When in doubt, seek guidance before acting.

If you become aware of a situation that may involve a violation of this Code or any applicable law or policy, you have a duty to report it. Doing so helps NCQA halt any legal or ethical misconduct before the issue escalates. Reporting also helps NCQA prevent future instances of such misconduct.

You can ask questions or raise concerns in several ways:

- Your Supervisor
- NCQA's Chief People Officer of Human Resources
- NCQA's General Counsel, Chief Privacy Officer and Compliance Officer
- NCQA's Chief Operating Officer
- Our Reporting Hotline: **(844) 440-0077** for Canada and the U.S. and **(800) 216-1288** for Spanish-speaking North America

The Reporting Hotline is staffed by an outside company, Lighthouse Services Inc., and is available 24 hours a day, 7 days a week. You can report anonymously if you wish, but please note that doing so may limit the NCQA's ability to investigate your concerns.

NCQA will investigate all reports promptly, thoroughly, and fairly and will take appropriate action. Every effort will be made to safeguard your confidentiality and, if you choose to report anonymously, your anonymity will be protected to the full extent of the law.

## No Retaliation

You should feel free to report any suspected violation of the Code, NCQA policy, or the law without fear of your employment being affected. NCQA strictly prohibits acts of retaliation against any of us for reporting suspected ethical or legal misconduct in good faith. "Good faith" does not mean your report must turn out to be correct—rather, it means you are providing all of the information you have and you believe it to be true. It is also a violation of the Code to retaliate against an employee for participating in an investigation involving possible misconduct.

Individuals who take action against a person for making a report or participating in an investigation are subject to disciplinary action, up to and including termination. If you believe that you or someone else has been the subject of retaliation, contact any of the resources listed in this section of the Code.

For more information, please see the [Prohibition against Retaliation policy](#) posted on NCQA's intranet.



## Higher Expectations for Supervisors

If you are a Supervisor, you have additional responsibilities. You are expected to set an example of ethical conduct. You must also make sure that everyone who reports to you understands and follows the Code and other NCQA policies, and that they complete all relevant training.

You should encourage employees to come to you with any questions or concerns. When they do, you should respond promptly. If you are unsure how to respond, you are expected to refer the issue to the appropriate party.

As a Supervisor, you need to keep a close eye on what is happening in the workplace. If you become aware of any conduct that may violate the law, the Code, or other NCQA policies, you must report it immediately. Supervisors who do not report violations they know about or should know about will be subject to disciplinary action, up to and including termination.



# Respecting Each Other

NCQA's continued success depends on the quality and diversity of its people. We must all strive to promote a work environment that fosters respect for our fellow employees, customers, vendors, surveyors, reviewers, and contractors.

## Discrimination and Harassment

To support a diverse workforce, we must all do our part to ensure that NCQA attracts, develops and retains the most qualified people available. We do so by treating each other with dignity and respect at all times. We also make certain that everyone receives the same opportunities for success within NCQA. This means we do not make any employment-related decisions based on race, color, religion, national origin, ancestry, sexual orientation, gender, marital status, age, physical or mental disability, veteran status, or any other legally protected status.

To promote a harmonious workplace, we must work to prevent all forms of harassment. In general, "harassment" is any unwelcome behavior toward another person that has the purpose or effect of creating an intimidating, hostile or offensive work environment. Such conduct may be physical, sexual or psychological and may include:

- Unwanted sexual attention
- Derogatory comments, slurs, or name calling
- Displays of offensive or derogatory posters, pictures, drawings, or gestures
- Assault, unwanted touching, bullying, or intimidation

If you feel that you or someone else is being harassed or discriminated against, contact any of the resources

listed in "[Reporting Concerns and Seeking Guidance](#)." NCQA will promptly investigate your concerns and will take appropriate disciplinary action when necessary. Remember, NCQA prohibits acts of retaliation against you for reporting harassment or discrimination.

For more information, please see the [Rules of Conduct, Prohibition against Retaliation, and Equal Opportunity, ADA, Sexual Harassment, Complaints](#) policies that are posted on NCQA's intranet.

## Workplace Health and Safety

NCQA will not tolerate any form of workplace violence. "Violence" includes both acts and threats of violence. Employees who engage in workplace violence will be subject to disciplinary action, up to and including termination, as well as criminal prosecution. Report any form of workplace violence to your Supervisor or the Chief People Officer of Human Resources. If you feel you or anyone else is in immediate danger, call local authorities right away.

While working on NCQA's behalf, we must never be under the influence of drugs, alcohol, or any other substance that could impair our ability to work safely and effectively. In addition, while you are on NCQA property or conducting NCQA business, you are prohibited from selling, possessing, purchasing, or distributing any such substance. There may be an exception to this rule when alcohol is used in moderation at an authorized NCQA event.

For more information, please see the [Rules of Conduct and Drug-Free Workplace](#) policies that are posted on NCQA's intranet.



## Doing Business with the U.S. Government

NCQA has valuable relationships with U.S. government agencies that are integral to our success. When the U.S. government or a U.S. government entity is our customer (or when NCQA is a subcontractor and the U.S. government is the ultimate customer), special laws and rules apply that are considerably stricter than those that govern our work with commercial customers. These regulations are extensive and complex, and consequences for violating them are substantial for both NCQA and the individuals involved, including fines and imprisonment, as well as debarment from future government contracts.

This section does not provide all of the information and guidance we need to ensure that we are complying with the law. If you work on federal contracts or subcontracts, you must familiarize yourself with the additional aspects of federal procurement laws and regulations that apply to your work. If your job involves marketing or selling to, contracting with or working on projects for the U.S. government or its agencies or other entities, make sure you understand and follow all of the policies, laws, and

regulations that apply to your job, including the provisions of the Federal Acquisition Regulations (FAR).

If you have any questions, contact any of the resources listed in “[Reporting Concerns and Seeking Guidance](#)” promptly. For more information, please see our [Policies and Procedures for NCQA’s Corporate Compliance Program](#) and the guidelines that describe the Prohibition against Gifts to Government Officials posted on NCQA’s intranet.

### Bids and Proposals

Whenever we are bidding on a U.S. government contract or subcontract, we must take special care to use accurate and complete figures as the basis for pricing on bids for contracts. We must also fully disclose all accurate cost and pricing data during the contract proposal and negotiation stage as required by the Truthful Cost or Pricing Data Act.

At times, we may inadvertently obtain or receive procurement-sensitive or government-classified information about the selection process or competitor bids that would give us an unfair competitive advantage.



Under the Procurement Integrity Act (PIA), seeking to obtain or obtaining contractor bid or proposal information or source selection information during a procurement is illegal. We must be careful not to use any such information in preparing a bid or proposal. If you obtain or receive such information, promptly notify the General Counsel, Chief Privacy Officer and Compliance Officer. You must keep NCQA's bid information confidential, as well.

When NCQA is the only bidder on a government contract (a "sole-source" situation), special rules apply to preparing bids and proposals.

### **Accurate Records and Information**

While we must always be truthful and accurate when dealing with our customers, it is especially important to do so when interacting with government officials and agencies. We may never provide inaccurate, incomplete, or misleading information, certifications, statements, or reports to a government customer. We must carefully review all documents sent to government customers to ensure that no documents are false, fictitious, or fraudulent. Submitting such documents is a criminal violation that can subject NCQA and the individuals involved to criminal prosecution. For U.S. government contracts, in the event we discover credible evidence that a principal, employee, agent or subcontractor of NCQA has committed either (i) a violation of Federal criminal law involving fraud, conflict of interest, bribery or gratuity violations, or (ii) a violation of the civil False Claims Act (31 U.S.C. § 3729-3733), we must make a mandatory disclosure to the appropriate agency's Office of Inspector General and Contracting Officer.

We must take care to report and categorize all of our allocated time properly, accurately, and precisely. NCQA will not tolerate the falsification of time cards or other cost records. We must always follow these rules, regardless of special time charging practices prescribed by certain federal contracts and regardless of whether the contract is considered a "lump-sum" or "reimbursable cost" contract.



It is also critically important that we ensure proper recording and categorizing of all costs to the appropriate account, regardless of the status of the budget for that account. In general, when we are working on reimbursable cost government contracts, we can charge reasonably incurred costs as allowable costs. However, there are certain costs that are not allowable and therefore cannot be charged, such those used for alcohol, lobbying activities, and political contributions. In addition, certain overhead costs are not allowable and cannot be charged, such as costs associated with claims against the government and merger and acquisition activities.

Finally, we must never dispose of records or evidence supporting any of the following before the required retention period is over:

- Financial and cost accounting
- Pay administration
- Acquisition and supply
- Contract negotiation
- Administration, performance, and audit requirements of contracting agencies

See our NCQA [Document Retention Policy](#) for more details about proper records retention.

### **Contract Performance**

If you are part of a team working on a government contract, you are responsible for knowing and complying with the exact requirements of the contract at all times. You must never deviate from contract specifications without authorization, such as by making substitutions in materials or vendors or failing to perform required tests or inspections.

If the government requests changes to its contract requirements, you must obtain written permission from the contracting officer *before* proceeding with the request. Failure to give proper and timely notification of a contract change to the contracting officer could limit NCQA's ability to obtain payment for the changed or out-of-scope work. The requirements for such notifications vary greatly depending on the contract. It is therefore critical that we understand the proper procedures for change orders. In addition, we may never use government property, equipment, or supplies for personal or non-contractual uses.



### **Employment of Current and Former Government Officials**

The U.S. federal, state and local governments that contract with NCQA have strict rules and regulations on hiring, or even discussing the potential hiring of, their employees. These rules are designed to prevent the appearance of improper influence or bias that may arise from offers or discussions about employment. While it may be possible to hire government officials in certain instances, you must consult the Chief People Officer of Human Resources before engaging in even preliminary suggestions or discussions regarding employment with a current or former government official.

In complying with these restrictions, we must follow these guidelines:

- During the contract selection or negotiation period or the period of contract performance, you may not discuss employment with or offer a job to a government official (or his or her family member) who is involved in awarding or administering contracts with NCQA
- You may not engage any company that is owned by a government official to be an NCQA vendor, subcontractor, or business partner
- You may not engage any consultant or third party who claims to have influence with government officials, or who you believe will exert improper influence to win a government contract

Many senior government and contracting officials are not permitted to work for a private company contractor, like NCQA, for a certain period of time after they leave government work. In addition, once employed by NCQA, a former government official may be subject to restrictions on the type of work he or she can perform or the communications he or she can have with government officials.

## Combating Trafficking in Persons Policy

NCQA supports and requires adherence to the United States Government policy prohibiting trafficking in persons including the trafficking-related activities of 48 CFR 52.222-50. NCQA, our employees and contractors must not, as applicable –

- 1) Engage in severe forms of trafficking in persons;
- 2) Procure commercial sex acts;
- 3) Use forced labor;
- 4) Destroy, conceal, confiscate, or otherwise deny access by an employee to the employee's identity or immigration documents, such as passports or drivers' licenses, regardless of issuing authority;
  - i. Use misleading or fraudulent practices during the recruitment of employees or offering of employment, such as failing to disclose, in a format and language accessible to the worker, basic information or making material misrepresentations during the recruitment of employees regarding the key terms and conditions of employment, including wages and fringe benefits, the location of work, the living conditions, housing and associated costs (if employer or agent provided or arranged), any significant cost to be charged to the employee, and, if applicable, the hazardous nature of the work;
  - ii. Use recruiters that do not comply with local labor laws of the country in which the recruiting takes place;
- 5) Charge employee recruitment fees;
- 6) Fail to provide return transportation or pay for the cost of return transportation upon the end of employment (barring any exceptions to this rule) -
  - i. For an employee who is not a national of the country in which the work is taking place and who was brought into that country for the purpose of working on a U.S. Government contract or subcontract (for portions of contracts performed outside the United States); or
  - ii. For an employee who is not a United States national and who was brought into the United States for the purpose of working on a U.S. Government contract or subcontract, if the payment of such costs is required under existing temporary worker programs or pursuant to a written agreement with the employee (for portions of contracts performed inside the United States);
- 7) Provide or arrange housing that fails to meet the host country housing and safety standards; or
- 8) If required by law or contract, fail to provide an employment contract, recruitment agreement, or other required work document in writing. Such written work document shall be in a language the employee understands. If the employee must relocate to perform the work, the work document shall be provided to the employee at least five days prior to the employee relocating. The employee's work document shall include, but is not limited to, details about work description, wages, prohibition on charging recruitment fees, work location(s), living accommodations and associated costs, time off, roundtrip transportation arrangements, grievance process, and the content of applicable laws and regulations that prohibit trafficking in persons.

Violation of this policy by employees or agents may include, but are not limited to formal reprimand, leave without pay and up to termination of employment.

## **Kickbacks and Other Improper Payments**

Under the Anti-Kickback Act, we are prohibited from offering or accepting any payments for the purpose of improperly influencing the award of a subcontract, or as an acknowledgment of such an award. A “payment” includes a compensation, fee, commission, gift, or gratuity given to a company or, its employees, officers, agents, or their family members. Remember, what might be considered a nominal gift when offered to our commercial customers is often viewed as an illegal payment when offered to our government customers. Permissible payments vary by government agency. It is your responsibility to know and follow the specific rules that apply to the officials with whom you interact.

“Kickbacks,” or the return of a sum already paid or due to be paid as part of a legal contract as a reward for obtaining or retaining business arrangements, are never permissible. When working with contractors or subcontractors, you may not under any circumstances provide a kickback, solicit a kickback, or allow for one in the contract price.

In addition, you may never offer a meal or entertainment to a government official. The only exception to this rule occurs when you do so under a reimbursement option approved by your Supervisor. In this case, you must make every effort for the meal or entertainment to be modest.

You must also provide a way in which the government employee can contribute money to cover the cost of the entertainment. For more information, please see our [\*Policies and Procedures for NCQA’s Corporate Compliance Program\*](#) and the guidelines that describe the *Prohibition against Gifts to Government Officials* posted on NCQA’s Intranet.

It is important to note that violations of these rules can result in the loss of a contract, the loss of NCQA’s ability to do government work and criminal prosecution for the individuals involved. If you have any questions about acceptable gifts or entertainment for government officials, please contact the General Counsel, Chief Privacy Officer and Compliance Officer before acting.

## **Lobbying and Political Activity**

U.S. federal government project sites and customers have strict prohibitions against using government resources (such as funds, computers, email accounts, phones) for conducting any type of lobbying or political activities. It is our responsibility to know and follow the regulations that apply to our work at all times.

## **Background Checks and Other Unique Employment Requirements**

When hiring contractors and employees for U.S. government projects, background checks are required to help verify that these persons are not debarred from performing government contracting work or on a list of suspected terrorists. For specific requirements and procedures, consult the Chief People Officer of Human Resources.

NCQA may not maintain or provide for employees any segregated facilities at any of its offices, except for restrooms. NCQA may not employ any persons currently undergoing a sentence of imprisonment by any court of a state, D.C., or U.S. territories. This prohibition does not apply to persons on parole or probation, persons who have been pardoned or who have served their terms, or certain persons who are authorized to work at paid employment in the community.

### **Use of Technology and Certain Imported Supplies**

We are prohibited from providing to the U.S. government any equipment, system or service that uses certain telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. We are further prohibited from *using* any equipment, system, or service that uses certain telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system, *even if that use is unrelated to a government contract*. The prohibited telecommunications equipment or services are:

- Telecommunications equipment or services produced or provided by Huawei Technologies Company or ZTE Corporation, or their affiliates;
- Video surveillance and telecommunications equipment or services produced or provided by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company, or their affiliates.

We are prohibited from providing to the U.S. government or using in any government contract any hardware, software, or service that is developed or provided by Kaspersky Lab or its affiliates. NCQA and its employees and subcontractors are prohibited from using or accessing TikTok and other applications developed or provided by TikTok's parent company, ByteDance Limited, on any device that is used to perform a U.S. government contract or subcontract.

NCQA may not acquire for use in U.S. government contracts any supplies or services from countries or persons prohibited by the Office of Foreign Assets Control. Most transactions involving Cuba, Iran, Sudan, Burma, or North Korea are prohibited.





## Competing Fairly and Ethically

Competition laws (or “antitrust laws”) are designed to preserve a level playing field for all businesses. As such, they prohibit any agreement or practice that restrains trade. NCQA competes on the quality of its products and services and its people, and complies with U.S. competition laws at all times, as well as those in place wherever we do business.

### Competitor Interactions

It is illegal to make any agreement with a competitor that restricts competition. Illegal agreements do not have to be signed contracts, and might be as simple as an informal understanding between two parties. Any coordination with competitors places both you and NCQA at serious risk of violating competition laws.

It is important to note that violations of these laws carry severe consequences, including fines and imprisonment for the individuals involved.

When communicating with competitors, you must not discuss any of these matters:

- Dividing territories or customers
- Charging customers a certain price
- Paying vendors a certain price
- Offering similar discounts or terms and conditions of sale
- Charging a certain resale price
- Boycotting a particular customer or vendor



If any of these topics of discussion arise when talking with a competitor, such as at an industry association meeting, you should stop the conversation immediately and report it to the General Counsel, Chief Privacy Officer and Compliance Officer. While industry associations provide excellent opportunities for networking and business development, they pose challenges as well. When attending these events, you should be careful to avoid even the appearance of unfair business practices.

NCQA must also avoid anticompetitive practices when convening groups of competitors, like health plans, for discussion and feedback about NCQA's programs and products. Meetings involving competitive organizations should not involve discussions on the same topics that NCQA should not discuss with its competitors as noted as we, including discussion of prices or other competitively sensible variables that may reduce ability or incentive for independent competition.

If at any time you become aware of a formal or informal discussion regarding any of the topics listed in this section, you should inform the General Counsel, Chief Privacy Officer and Compliance Officer immediately.

### **Competitor Information**

At times, gathering information about our competitors is critical to NCQA's success. However, we must ensure that we only do so in an ethical and legal manner. For instance, we must never engage in the theft of confidential business information or trade secrets. Some methods, like eavesdropping and bribery, are illegal. Others, like secretly taping conversations with a customer, removing documents from the offices of a third party, or making calls under false pretenses to gain information are unethical and will not be tolerated at NCQA.

You may ask coworkers, customers, and vendors for competitor information that they are free to share. However, you should not encourage them to do so if this would violate a binding legal agreement or put them at risk of being perceived as doing so. For example, you should not seek to obtain confidential information from a new employee who formerly worked for a competitor.

If you have any questions about whether to use or disclose information about our competitors that you possess, do not act on the information. Instead, you should first seek guidance from any of the resources listed in "[\*Reporting Concerns and Seeking Guidance\*](#)."

# Keeping Accurate Records

NCQA relies on us to keep accurate and complete books and records to make sound business decisions. In addition, the information we enter in NCQA's records on a daily basis is used to advise investors on our financial results and to make required legal filings. Every one of us, regardless of position, has an obligation to make sure that the information we record is complete, accurate, understandable, fair, and timely.

All NCQA financial books and records must accurately reflect all transactions and events. To accomplish this, we must create our books and records with the utmost care and honesty. In addition, we must conform to both generally accepted accounting principles and NCQA's system of internal controls and procedures.

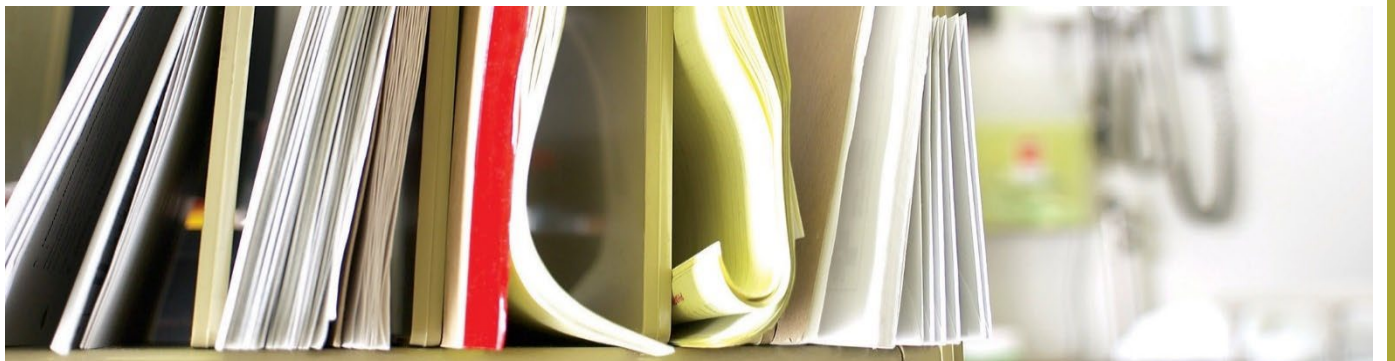
We each must do our part to make sure that the information we enter, such as that in timecards, expense reports, production data, and other reports, is absolutely true. In addition, we need to submit reports in a timely manner and always include full and appropriate documentation when submitting contracts for processing or payment. Under no circumstances are unrecorded or "slush" fund accounts allowed. If you have any questions or concerns about accounting or auditing matters, please contact the General Counsel, Chief Privacy Officer and Compliance Officer.

## Records Retention

Properly maintaining NCQA books and records is also very important. NCQA has established procedures for maintaining documents and files for required periods and destroying them when they are no longer needed. Please review our [Document Retention Policy](#) carefully and make certain to follow it.

From time to time, you may be notified that your department has documents relevant to a pending, threatened, or anticipated litigation, investigation, or audit. Never destroy, alter, or hide a document in anticipation of or in response to such a request, and do not destroy any document covered by this request without the express authorization of the General Counsel, Chief Privacy Officer and Compliance Officer.

We each have an obligation to cooperate fully with investigations conducted by internal and external auditors. If you are asked to cooperate with any government investigation or audit, make sure that you do so fully and honestly. If you receive a request for information from a government agency, notify the General Counsel, Chief Privacy Officer and Compliance Officer before providing any information. For more information, also review our [Document Retention Policy](#) posted on NCQA's Intranet.





## Protecting Company Assets

NCQA has built up its assets in order to achieve success by serving our customers to the best of our ability. These assets include NCQA's facilities, equipment, materials, property, technology, funds, and information. We owe it to each other, NCQA and our customers to guard this property against theft, loss, waste, or damage and to ensure that it is used appropriately and for business purposes.

### Confidential and Sensitive Information

Open and effective exchange of NCQA information is critical to our success. However, much of the information concerning our business activities is confidential, and the disclosure of this information outside NCQA could seriously damage the organization's interests. Safeguarding this information is therefore everyone's responsibility.

To safeguard confidential information (or "trade secrets"), which includes business records, financial results, sales figures, personnel records, protected health information, and all other sensitive business information, we may not disclose it to unauthorized people, including third parties and people within NCQA who do not have a business need to know it. In addition, we must protect it from theft or loss by making sure that we follow all security measures and internal controls for our computer systems, portable electronic devices, laptops, and other storage devices. Never leave such devices where they could be lost or stolen. Always lock offices or file cabinets that store confidential and sensitive information. Do not divulge your password or access codes to anyone else, and do not allow others to use your accounts. Be cautious when discussing sensitive information in person or on your cell phone in public places and in open areas within NCQA. Remember, you may not disclose NCQA confidential and sensitive information even after your employment with NCQA ends. For more information, please refer to the [Workforce Agreement](#) posted on NCQA's intranet.

In addition, we have a duty to protect NCQA's intellectual property ("IP"). IP includes inventions, trademarks, copyrights, patents, published written works, and any other works created as a result of your employment with NCQA. Any such IP belongs to NCQA, and this remains true even after our employment ends, to the extent allowed by law. For more information, please refer to the [Workforce Agreement](#).

From time to time, our vendors and customers share their confidential and sensitive information with us. We have an obligation to protect that information just as carefully as we protect NCQA's. If someone outside NCQA requests information belonging to one of our customers or vendors, you must get consent from the owner before you share it.

### **Private Personal Information**

We entrust NCQA with our private personal data from time to time. We respect our fellow employees, and never access without prior authorization any system or database containing private personal information. Such systems or databases may include:

- Employee or personnel records
- Financial interests in outside organizations, including information pertaining to stock ownership, stock options, or other ownership interests or management positions
- Email and voicemail messages of coworkers

NCQA is subject to strict laws that protect private personal information. We therefore must carefully follow our security procedures, which are designed to ensure that only authorized persons and entities have access to such information.

### **Appropriate Use of Computer and Network Systems**

Our business relies on computers and electronic information. For this reason, NCQA provides many of us with computers and access to its network systems to ensure our job performance. It is important that we use this technology for appropriate business purposes. Although limited personal use is permitted, it must never interfere with the full performance of our job duties.

Be sure to compose email, instant messages, and text messages with the same care you take in composing any other NCQA document. Electronic messages are lasting and recoverable written records and can easily be copied and forwarded without your knowledge or consent. The use of profanity, derogatory remarks, discriminatory or harassing comments, innuendo, and threatening or abusive language in such communications is strictly prohibited.

We should not use NCQA's computer systems to solicit another employee for any purpose (except through NCQA's bulletin boards and the NCQA Marketplace email), communicate jokes or inappropriate sexually explicit or offensive statements; send unauthorized solicitations; or conduct business for another organization.

You should not expect privacy when using email or the Internet. NCQA reserves the right to monitor email and Internet access to ensure they are used responsibly and professionally. NCQA also reserves the right to block offensive, illegal, and non-business related sites and to intercept the entire content of any messages or files transmitted or stored in its systems, including information that has been deleted by users. Monitoring activities, when undertaken, will comply with any and all legal requirements. Please see our [Electronic Media Use, Solicitation and Distribution](#) policies and [Information Security Policies and Procedures](#) for more information.

As part of our commitment to using NCQA technology appropriately and protecting its confidential proprietary information, we must exercise care when engaging in social media. Such media include internet chat rooms, message forums, and social networking sites like Facebook, YouTube, Twitter, or LinkedIn. While NCQA does not seek to limit our personal use of such media, we are expected to conduct ourselves in accordance with NCQA standards. This means we must never disclose confidential proprietary information through our use of social media. We must also ensure that we do not attribute our personal opinions to NCQA. Never post inappropriate or offensive material, or material that violates our policies while representing NCQA. These same guidelines apply to postings made on our intranet.

### **NCQA's Reputation**

We are encouraged to participate in civic and political activities, so long as such activities are on our own time and at our own expense. We may not suggest or imply that our donation of time, resources, or money is from or endorsed by NCQA. You may not give political contributions on behalf of the organization or through use of the organization's funds. NCQA will not reimburse you for a political or campaign contribution. You will never be favored or punished for making or not making a personal contribution.

To uphold its reputation, NCQA must speak to the media accurately and consistently. In order to ensure that happens, only designated individuals may speak on behalf of NCQA. Inquiries regarding business activities, results, plans, or public policy positions should be referred to the Assistant Vice President of Marketing and Communications.

## Obeying Insider Trading Laws

To do our jobs effectively, we may have access to information about NCQA and the companies we deal with that is not available to people outside NCQA. Often, that nonpublic information is something that would motivate an investor to buy or sell stock, such as advance notice of acquisitions and divestitures, management changes, or certain nonpublic performance results. If so, then that information is material, nonpublic information (or “inside information”). It is illegal to buy or sell securities of the company to which this information relates while you are in possession of it.

This illegal act, known as “insider trading,” is a serious violation of both the Code and U.S. securities laws. Insider trading will subject the individuals involved, wherever located, to immediate termination and potential criminal prosecution.

“Tipping” is also a violation of both the Code and the securities laws, with the same consequences. Tipping occurs when you provide material, nonpublic information

to someone else, even inadvertently, and that person buys or sells the stock of the company on the basis of this information. Because tipping is illegal, you must be careful not to disclose any material or nonpublic information to anyone outside the organization, such as to family members or friends.

Remember that, in the event of a government investigation into trading activity, all trades will be viewed with the benefit of hindsight. Always carefully consider every trade you are making in stock of one of our business partners. If you have any questions consult the General Counsel, Chief Privacy Officer and Compliance Officer.

For more information about material, nonpublic information and insider trading, please see our [Insider Trading](#) policy posted on NCQA’s intranet.





## Avoiding Conflicts of Interest

A conflict of interest occurs when our personal or family interests interfere—or appear to interfere—with our ability to make sound business decisions on behalf of NCQA. We need to avoid any situation that creates even the appearance of bias. If a real or potential conflict of interest arises, you must disclose it promptly to your Supervisor. It is important to note that having a conflict of interest is not a violation of the Code, but failing to disclose it is.

Conflicts of interest typically arise in the situations discussed in this section. However, you may face a situation not covered in this section, as well. Please see our [Conflict of Interest Policy](#) posted on NCQA's intranet or consult the Office of General Counsel for more information.

### Gifts and Entertainment

Business courtesies, such as gifts and entertainment, are designed to build good working relationships and goodwill with vendors and customers. Such courtesies are not appropriate, however, if they create an obligation, put you in a situation where you appear biased, or are given with the intent to influence a business decision.

Gifts include items of value, travel, lodging, goods, and services, as well as meals or entertainment when the host does not attend.

Gifts are permitted if they are:

- Nominal in value
- Infrequent
- In good taste
- Unsolicited
- Not cash or cash equivalents

Entertainment includes events where both the person offering and the person accepting attend. Examples include meals together, sporting events, and golf outings. The purpose of the entertainment must be to enhance the business relationship. You may accept entertainment if it is:

- Irregular or infrequent
- Unsolicited
- In a setting that is appropriate for a business discussion
- Reasonable or not lavish

The important thing to remember is that you cannot offer, give, or receive anything that would compromise—or even appear to compromise—the recipient's ability to make fair, impartial, and balanced business decisions. The rules for gifts and entertainment apply year round, even during the holidays, and they apply to your spouse and family members, as well.



For advice on whether business gifts and entertainment are appropriate, contact the General Counsel, Chief Privacy Officer and Compliance Officer.

### **Personal Relationships**

A conflict of interest can also arise if you or your family member has a personal or financial stake in a company that is a NCQA vendor, potential vendor, or competitor. An actual or potential conflict of interest occurs when you are in a position to influence a decision that may result in personal gain for yourself or for a relative as a result of NCQA's business. If you find yourself in that situation, you must not use your position to influence the bidding process or negotiation in any way and must disclose the potential conflict of interest to the General Counsel, Chief Privacy Officer and Compliance Officer in accordance with NCQA's strict conflict of interest disclosure and conflict management policies that may apply to your position with NCQA. If you are directly involved in vendor selection, notify your Supervisor immediately and remove yourself from the decision-making process. If you have a family member who works for a competitor, you need to notify your Supervisor.

It is also important to avoid directly or indirectly supervising family and friends. When a personal or family relationship between employees exists—especially if it is also a reporting relationship—it may seem that one employee could receive preferential treatment or favoritism. For this reason, you should never be placed in a position where you have direct decision-making authority over another family member, or vice versa. NCQA also discourages indirect employment relationships between family members. Remember, the important thing is to avoid even the *appearance* of bias. If such a situation arises, you must disclose the facts to your Supervisor promptly. Please see our [Hiring Relatives](#) policy for more information.

### **Outside Employment**

Sometimes taking outside employment may create a potential conflict of interest. We may not take another job that interferes with our ability to do our work, such as by conducting an outside business during working hours or using NCQA property, equipment, or information for non-NCQA use. In addition, we must not take outside employment with a vendor or competitor of NCQA. Because taking an outside job may create a conflict of interest, you must notify your immediate Supervisor before you do so.

Serving on the board of directors or a similar body for an outside company or government agency requires the advance approval of your Supervisor. Helping the community by serving on boards of non-profit or community organizations is encouraged and does not require prior approval.

