



Policy No.: 1	Policy for the Promotion of Ethical Conduct
Version: 1.0	Effective Date: 10/4/18

Policy

As a nonprofit organization at the forefront of health information exchange, Carequality, Inc.'s policy is to uphold the highest legal, ethical, and moral standards. Our members, donors and volunteers support Carequality because they trust us to be good stewards of their resources, and to uphold rigorous standards of conduct. Carequality's reputation for integrity and excellence requires the careful observance of all applicable laws and regulations, as well as a scrupulous regard for the highest standards of conduct and personal integrity.

Procedure

Carequality shall comply with all applicable laws and regulations and expects its Directors, officers, employees, contractors and volunteers to conduct business in accordance with the letter and spirit of all relevant laws; to refrain from any illegal, dishonest, or unethical conduct; to act in a professional, businesslike manner; and to treat others with respect. Directors and officers shall not use their positions to obtain unreasonable or excessive services or expertise from Carequality's staff.

In general, the use of good judgment based on high ethical principles should guide Directors, officers, employees, contractors and volunteers with respect to lines of acceptable conduct. If, however, a situation arises where it is difficult to determine the proper course of conduct, or where questions arise concerning the propriety of certain conduct by an individual or others, the matter should be brought to the attention of Carequality. Employees, contractors and volunteers should contact their immediate supervisor. Board members should raise any such concerns with the chair or the treasurer of Carequality's Board.

In all questions involving ethics and conduct, the Board shall make relevant determinations, except that any individual whose conduct is at issue may not participate in such decisions.



Policy No.: 2	Compensation of Individuals While Serving as Board Members Policy
Version: 1.0	Effective Date: 10/4/18

Policy

This policy establishes expectations for providing compensation to individuals who provide services to Carequality, Inc. while also serving as Carequality Board members.

Compensation for Serving on the Board

No compensation of any kind shall be paid to any Director for the performance of his or her duties as a Director. Board members may be allowed reasonable reimbursement of expenses incurred in the performance of their duties, including attendance at Board-authorized meetings and conferences, pursuant to prior approval from Carequality.

Compensation for Services outside the Duties of a Board Member

Subject to Carequality Conflict of Interest Policy, this policy shall not in any way limit reasonable compensation for payment for services provided to Carequality by the Director in any capacity separate from his or her responsibilities as a Director, provided that there is full disclosure of the terms of such compensation and the arrangement has been approved by the Board. The provisions of this section shall not in any way limit reimbursement of or payment for services provided to Carequality by any organization with which a Director is affiliated.

Nothing in this Policy shall prevent a Board member from being employed by Carequality.

Procedures

In order to avoid a conflict-of-interest situation between an individual Board member and Carequality, the following procedures will be observed:

1. If a Board member, either personally or through their organization, desires to perform a specific service or provide a product for which they seek payment from Carequality, they shall advise the Executive Director in writing of such desire. If Carequality requests that a Board Member, either personally or through their organization, perform a service or provide a product to Carequality this request shall be in writing from the Executive Director.
2. If there is agreement between the Executive Director and the Board Member about the scope of services or product and that payment for those services or product, then the Executive Director shall present the proposal to the Board of Directors for consideration. Approval by a majority of disinterested Directors is required approve such engagement and any Board members who are involved in the engagement shall announce that they have a conflict of interest and refrain from voting on the issue. Board members with a conflict of interest may participate in the Board’s discussion of the engagement once they have informed the remainder of the Board of their conflict.



3. If there is an urgent need for approval, and Carequality Board cannot reasonably be convened, then the Executive Committee is authorized to consider any proposed engagement and act on behalf of the full Board.



Policy No.: 3	Confidentiality Policy
Version: 1.0	Effective Date: 10/4/18

Policy

Carequality and its Board members, committee members, staff, consultants and volunteers (“Personnel”) may only use and disclose Carequality Confidential Information as authorized by Carequality, in the conduct of Carequality’s affairs, and shall use their best efforts to prevent unauthorized disclosures of Carequality Confidential Information.

Carequality Confidential Information shall include all information relating to (i) Carequality members, implementers, donors, potential donors, clients and Personnel; or (ii) all other information related to Carequality and its programs operations, policies, plans, goals, or objectives. Carequality Confidential Information shall not include information previously known to Personnel, Carequality membership, the general public, or previously recognized as standard practice in the field.

All files, documents, and working papers of Carequality and Carequality Confidential Information are the property of Carequality. When Personnel cease to be employed by or affiliated with Carequality, such Personnel shall return to Carequality all Carequality Confidential Information and all materials supplied to them by Carequality, including, but not limited to, files, documents, working papers, agendas, minutes and supporting documents in whatever media those Confidential Information is retained. In lieu of returning the Confidential Information, the Personnel may destroy it and certify in writing to Carequality that the Confidential Information has been destroyed.

Any Personnel who purposely, or through a failure to exercise the duty of care required by this Policy, causes Carequality Confidential Information to be disclosed improperly will be subject to disciplinary action, up to and including termination of employment.

Procedures

Carequality employees, contractors, volunteers and other staff shall execute a Confidentiality Agreement with Carequality.

Carequality shall include confidentiality provisions in legal agreements it executes with service providers, suppliers, and partners to protect Carequality Confidential Information.

Carequality Board members shall execute a Consent to be Named a Director, which includes obligations for safeguarding Carequality Confidential Information.



Policy No.: 4	Conflict of Interest-Directors, Officers, and Committee Members
Version: 1.0	Effective Date: 10/4/18

Policy

Directors, Officers and committee members (“Covered Persons”) shall always act in the best interests of Carequality in carrying out their duties. In order to fulfill this obligation, Covered Persons shall use their best efforts to avoid situations in which their personal, employment, business or financial relationships prevent them from acting in the best interests of Carequality. Covered Persons shall disclose to Carequality all possible conflicts of interests that may arise in the course of serving as a Director, Officer or other committee by notifying the Executive Director in writing of the facts which have led the Covered Person to conclude that a conflict of interest might exist. This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflict of interest.

Annual Attestation

Each Covered Person will be required, on an annual basis, to submit a Conflicts of Interest Policy Acknowledgement Statement, attached as Exhibit A, attesting that he or she has read and understands this Conflicts of Interest Policy. In addition, each Director will also be required to annually complete the Conflicts of Interest Disclosure Form, attached as Exhibit B.

Violations of the Conflicts-of-Interest Policy

1. If Carequality Board of Directors has reasonable cause to believe a Covered Person has failed to disclose a possible conflict of interest, it shall inform the individual of the basis for such belief and afford the individual an opportunity to explain the alleged failure to disclose.
2. If, after hearing the individual’s response and after making further investigation as warranted by the circumstances, Carequality Board of Directors determines the individual has failed to make any required disclosure, it shall take appropriate disciplinary and corrective action which may include suspension or termination of the Covered Person from their involvement with Carequality.



Exhibit A

CAREQUALITY

ANNUAL CONFLICTS OF INTEREST POLICY STATEMENT

Pursuant to the applicable provisions of the Conflicts of Interest Policy (“Policy”) of Carequality, Inc., a Virginia nonstock corporation, the individual who executes this statement affirms that such individual:

1. Has received a copy of the Policy.
2. Has read and understands the Policy.
3. Agrees to comply with the Policy.

Signature

Printed Name

Title(s) or Office(s)

Date



Exhibit B

CAREQUALITY

DIRECTOR ANNUAL CONFLICTS OF INTEREST DISCLOSURE FORM

1. I am not aware of any relationship or interest or situation involving my relatives or myself that might result in, or give the appearance of being, a conflict of interest between such family member or me on one hand and Carequality on the other.

Initials: _____

2. The following are relationships, interests, or situations involving me or a relative that I consider might result in or appear to be an actual, apparent, or potential conflict of interest between such family members or myself on one hand and Carequality on the other.

Initials: _____

Service on the governing body or any committee thereof of the following organizations:

Memberships in the following organizations:

Contracts, business activities, and investments with or in the following organizations:

Other relationships and activities:

My primary business or occupation at this time:

I have read and understand Carequality's Conflict-of-Interest Policy and agree to be bound by it. I will promptly inform the Chairperson of Carequality Board of any material change that develops in the information contained in the foregoing statement.

Type/Print Name

Signature

Date



Policy No.: 5	Director Expectations
Version: 1.0	Effective Date: 10/4/18

Directors are responsible, both individually and collectively, for contributing to the effective governance of Carequality and for fulfilling the responsibilities of the Board of Directors. To that end, Directors are responsible to:

1. Learn about Carequality, read all materials provided to Directors about Carequality, and keep up-to-date on Carequality activities, programs, and management.
2. Be familiar with and act in accordance with Carequality’s policies and procedures.
3. Use their best efforts to support Carequality so that it reaches its goals.
4. Prepare for Board meetings by diligently reviewing all materials provided to Directors in advance of the meeting.
5. Participate in as many Board of Directors meetings as practical, and participate in all such meetings using fair, independent judgment and due care in conducting the business of Carequality. Directors are not permitted to send a proxy if the Director is unable to attend the meeting.
6. As appropriate, serve on committees.
7. Act as an informed advocate of Carequality by promoting its mission, generating good will for Carequality, and encouraging participation by relevant stakeholders.
8. Always exercise Board of Director powers in the interest of Carequality, and not for the interest of the Director or others.
9. Maintain and promote high ethical standards including good-faith Board of Director decision making and avoid an actual or perceived conflict of interest with other activities, interests, and/or organizations with which the Director may be involved.
10. Provide constructive input and respect the diverse opinions of others.
11. Be accessible, at least by phone or e-mail, to staff and other Directors as needed.
12. Agree that in the event, for whatever reason, a Director can no longer fulfill his/her duties and responsibilities as a Director, such Director will immediately notify the Chairperson and resign from the Board of Directors. Notice of resignation shall be effective when delivered unless the notice specifies a later effective time.

To assist the Directors in fulfilling their responsibilities, Carequality staff will provide each Director with the following:

1. Access to the management team of Carequality, as needed for proper operation of the Board of Directors
2. Ample notice of all Board meetings



3. Minutes of all Board meetings
4. Relevant information to conduct his or her job as a Director
5. Respect for his or her time
6. The use of his or her talent effectively
7. Straightforward and thorough responses to any questions necessary to carry out his or her responsibilities to Carequality.



Policy No.: 6	Lobbying and Political Activity
Version: 1.0	Effective Date: 10/4/18

1. Carequality encourages individual participation in civic affairs. However, as a charitable organization, Carequality may not participate in lobbying acts or make contributions to any candidate for public office or political committee and may not intervene in any political campaign on behalf of or in opposition to any candidate for public office. To avoid any appearance that Carequality is engaging in prohibited lobbying or political activities, Carequality personnel must refrain from making any contributions to any candidate for public office or political committee on behalf of Carequality.
2. Personnel shall refrain from engaging in political activities or making any contributions to any candidate for public office or political committee in a manner that may create the appearance that the contribution is on behalf of Carequality.
3. Carequality shall refrain from using any of Carequality financial resources, facilities, or personnel to endorse or oppose a candidate for public office.
4. Carequality shall clearly communicate that Carequality Personnel are not acting on behalf of the organization while engaging in political activities in an individual capacity.



Policy No.: 7	Decision Making and Consensus Processes
Version: 1.0	Effective Date: 10/4/18

Policy

Carequality is committed to function with openness, engage stakeholders and promote a consensus process for its projects and initiatives. This policy describes the processes that Carequality follows for reaching consensus agreement by its Board of Directors; the committees of the Board as defined by the by-laws (“Board committees”); and any other committees, workgroups, or other formal entities designated by the Board Chair or Executive Director to carry out its work (“committees and workgroups”).

Definitions

1. The Board, the Board committees, and other committees and workgroups of Carequality, will endeavor to reach agreement through consensus decision making wherever possible. For the purposes of this policy, “consensus” means an opinion, position or decision reached by, and accepted by a group as a whole. While consensus decision making is the goal, Carequality is a corporation and it is governed by its Board of Directors. In order for a decision to be recognized as a valid decision of the company, it must be approved by the Board of Directors or, by the Officers or the Executive Director under the authority specifically delegated to them by the bylaws or by the Board of Directors. Carequality bylaws provide for the voting mechanisms that will be used by the Board for all of its actions.
2. Carequality, decision-making through consensus consists of:
 - a. Full deliberation among meeting participants;
 - b. Consideration of all points of view;
 - c. Resolution of differences of opinion through discussion;
 - d. Identification of areas of agreement and disagreement through discussion; and
 - e. Dialog until the sense of the group is clear.



Procedures

Reaching Consensus Decisions

1. Where unanimity is not possible, the participants should strive to make decisions where there is at least consensus with substantial support from all participants.
2. Participants are encouraged and expected to participate actively and to express affirmatively their agreement or disagreement with a standard or other matter under discussion.
3. The Chairperson and Vice Chairperson of the Board, the Board committee chairs, and the individual committee and workgroup chairs are responsible for assessing overall consensus through:
 - a. Summarizing the sense of the discussion;
 - b. Articulating the specific decisions; and
 - c. Asking whether there are other concerns, and if necessary, returning to deliberations.
4. Decisions may be made during meetings (face-to-face or distributed) as well as through email, teleconferences, and any other medium so long as the principles expressed in this policy are adhered to.



Policy No.: 8	Investment and Financial Reporting Policy
Version: 1.0	Effective Date: 10/4/18

Policy

Carequality has two primary financial objectives:

- Generate sufficient revenue to fully cover all direct and indirect operating costs and result in an excess of revenue over expenses to support continued development of programs and activities
- To establish a financial reserve sufficient to sustain Carequality operations in the event of fluctuations in revenue; and
- Provide as high a total rate of return on investments as is consistent with prudent investment risk while providing adequate liquidity to meet company requirements.

Procedures

Finance Committee

Carequality Board of Directors may establish a committee to oversee the company's finances, including but not limited to reserve funds and investments ("Finance Committee").

Investment Policy

1. The Carequality Board, on a regular basis should review Carequality's financial position and investment activity.
2. When held in a commercial bank, investments of company funds should not exceed \$250,000 in any one institution for federal insurance purposes, unless approved by the Board.
3. The Board will not invest Carequality's funds with any firm or vehicle that may, as a result of the transaction, monetarily benefit a member of the Board or Personnel.
4. Accounts such as interest-bearing checking accounts, money market accounts, certificates of deposit, investment-grade commercial paper, and government securities are to be the primary investments. Investment transactions shall not include any: naked calls, naked puts, commodities, and/or uncovered short positions. Investing in any other type of investment vehicle requires prior approval by the finance committee or Board.
5. Short-term investments should be limited in term. The board, unless delegated to the Finance Committee, must approve any short-term investments with a term longer than 3 years.
6. The company's goal is to maintain 3-6 months of operating reserves.
7. Within guidelines, maximum interest rates shall be sought on all monies deposited into interest bearing accounts.



Financial Reporting Procedures

Monthly — Carequality will provide the Board of Directors with monthly written financial statements regarding the performance of the company’s investments, as well as monthly corporate financial statements.

Quarterly — The Board of Directors will assess the performance of the company’s investment portfolio, as well as the company’s overall financial status.

Annually — The Board will review an annual report regarding investment performance over the course of the year.