



Charles E. Smith
LIFE COMMUNITIES

Code of Conduct

March 2021

Message from the President and CEO

Dear Associate,

Maintaining high ethical standards is everyone's responsibility and ensures that we truly act in the best interests of those we serve, who put their trust in us. By conducting ourselves with integrity and honesty and fulfilling all applicable laws, regulations and organizational policies, we maintain that trust and preserve the well-known reputation we have worked so hard to build for more than a century.

The Code of Conduct for Charles E. Smith Life Communities (CESLC) is an important resource that helps guide each of us to fulfill our obligations and ensures that we continue to deliver quality care and meaningful life experiences with integrity. While our Code describes many specific behaviors and actions, it does not cover every situation that you may encounter. That is why we place our trust in you to use good judgment and to uphold our values.

Please become familiar with our Code, which also explains your responsibility to speak up and report, without fear of retaliation, any situation or behavior that you believe is in violation of our Code. If you are not sure of what action to take, talk with your supervisor or ask for assistance, using the resources referenced in our Code.

At CESLC, integrity is foundational to our work. Thank you for following our Code and Core Principles, living our values and fulfilling our mission.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Lederman', with a large, stylized initial 'J'.

Bruce J. Lederman
President/CEO
Charles E. Smith Life Communities

CESLC Core Principles

All associates and other interested parties are expected to demonstrate the highest standards of moral, legal and ethical conduct as summarized in this code of conduct.

Our Mission

Charles E. Smith Life Communities delivers quality care and meaningful life experiences to older adults, with dignity and compassion rooted in Jewish values.

Our Vision

Charles E. Smith Life Communities will be the provider of choice for innovative programs and services that enrich and enhance the quality of life for older adults.

Our Values¹

Our values guide the way we think. They define how we do business.

- We do what is right, acting with integrity, accountability and generosity of spirit – *Tzedek*
- We act with kindness, empathy and caring – *Chesed*
- We acknowledge the value of each individual and serve all with respect and dignity – *Kavod*
- We deliver the highest standards of service and hospitality – *Hiddur*

Our Cultural Beliefs

Cultural beliefs connect our values to the actions our associates take. They are “I” statements that describe how each associate will align their actions to achieve organizational results.

Own It - I am accountable for achieving excellence.

One CESLC – One Team - I work collaboratively and treat others with respect.

Character Counts - I act with honesty and integrity.

Every Voice Matters - I actively seek feedback from others, and listen to understand.

Exceptional Experiences - I deliver exceptional customer service with every interaction.

¹ The Hebrew word that captures the meaning of each value appears in italic.

Our Pillars of Strength

These Pillars of Strength provide a framework to align our mission, values and cultural beliefs to our strategic map, priority projects and organizational key results.

Quality Care

To provide the highest quality person-centered care and services to our residents and patients

Growth

To be the elder care provider of choice in the communities we serve, by offering comprehensive and innovative services.

Financial Performance

To sustain strong financial performance and operational efficiencies that will allow the organization to fulfill its mission, now and in the future.

People

To be the employer of choice; to attract, develop, engage and retain talented and motivated people who live our values and mission.

Experience

To meet and exceed the quality of life and service expectations of our residents, patients, and families and to provide unquestionable value.

Community

To build philanthropic support, and develop and sustain leadership, education and volunteer opportunities in fulfillment of the organization's values and charitable mission.

Our Compliance Program

A compliance program helps to ensure that we can identify, reduce and mitigate activities that may lead to fraud, waste and abuse. An effective program is based on seven key elements recommended by the federal government:

1. Develop and distribute this code of conduct and other written policies and procedures that promote and illustrate our commitment to compliance, integrity and ethical conduct.
2. Identify a compliance officer and form a compliance committee to develop, operate and monitor our compliance program.
3. Develop and implement regular effective training and education opportunities related to our compliance program requirements.

4. Create and maintain communication opportunities for associates to report concerns without fear of retaliation.
5. Conduct audits and other types of evaluations to monitor compliance, identify risk areas and correct identified risks.
6. Enforce these compliance standards through well-publicized disciplinary guidelines.
7. Respond to detected offenses and develop corrective action plans.

Our compliance program is a coordinated effort with leaders throughout the organization to create policies and procedures that are repeatable and defensible. The program is led by the Director, HIPAA Privacy, Security, and Corporate Compliance, who is guided by a compliance committee comprised of CESLC senior leaders. The committee's activities are reported to the Board of Governors through the President/CEO.

We provide educational opportunities and promote open communication so that we can identify and remedy risks. This helps us avoid potentially harmful effects on our organization and the residents we serve.

Government Exclusions

We do not knowingly employ anyone who has been excluded from participating in a federal or state program and, as part of our compliance program, we regularly review government exclusion databases for this purpose. This occurs before joining CESLC and routinely thereafter. We will conduct additional research if an associate is found on a government exclusions database during a routine review.

Compliance Hotline – “Speak Up”

A successful compliance program is a group effort. We expect and need you to speak up if you believe an action does not emulate our ethical beliefs or legal requirements. Speak to your supervisor, another member of leadership, the Director, HIPAA Privacy, Security, and Corporate Compliance or contact the Compliance Hotline online: <https://secure.reportit.net/creator>, or call 877-778-5463. Our organization's user name is *ceslcrpt* and the password is *Rockville1*. Remember, we do not tolerate disciplinary action or any other retaliation for expressing concerns, made in good faith, regarding a suspected violation of our Code.

Our Responsibility to Promote Ethical Practices

Adhering to Laws and Regulations

CESLC is committed to complying with all relevant federal and state laws including, but not limited to, the Deficit Reduction Act of 2005, the False Claims Act, the Anti-Kickback Statute and the Elder Justice Act. We adhere to the Resident Bill of Rights as prescribed by federal and state law.

Maintaining Ethical Billing and Other Business Practices

We are committed to ethical, honest billing practices and do not tolerate any actions that may lead to fraud, waste or abuse. We submit claims for payment based on the care provided consistent with federal, state and local laws and commercial payer requirements. Copayments, coinsurance and deductibles are only waived consistent with established rules, policies and procedures. Finance and accounting associates ensure that all billing-related communication with residents, prospective residents, family members, government and private payers and other third parties is accurate and complete. We do not bill for items or services that were not rendered, were not medically necessary or did not meet quality standards. All claims for payment must be supported by accurate documentation to substantiate the claim.

Giving or receiving, or offering to give or receive, any form of payment, kickback, bribe, discount, rebate, gift or any other form of remuneration to induce referrals is prohibited. We do not give or offer to give any improper inducements or favors to residents, providers or others to influence or arrange for referrals to any CESLC residence or service. We do not accept or offer to accept anything of value from our current or prospective vendors to influence or induce referrals to vendors. Any associate who violates these standards will be subject to disciplinary action.

Our Leadership

CESLC leaders serve as role models and support our mission, vision, values and belief statements. They are expected to support this Code and CESLC's compliance program and to address reports of noncompliance brought to their attention without retaliation.

The Elder Justice Act

The Elder Justice Act requires that associates must notify the state survey agency and local law enforcement when there is any reasonable suspicion of a crime against any

of our residents. If the resident suffers a serious bodily injury, the report must be made within two hours. If there is no serious bodily injury, then the report must be made within 24 hours.

In keeping with the Elder Justice Act, associates must alert a supervisor or CESLC leadership if they suspect a crime was committed against a resident. This is mandatory. Failing to report a suspected crime against a resident will lead to disciplinary action. We will help the associate make the required government notifications. We cannot and will not retaliate against any associate who makes a report.

CESLC does not tolerate any crime against a resident, including any form of resident abuse or neglect. Any CESLC associate found to have abused or neglected a resident is subject to termination and will be reported to law enforcement and the state licensing body as appropriate.

Our Focus on Quality of Care

We expect all residents to receive quality care and services with kindness, empathy and integrity. We respect the dignity, comfort and privacy of every resident. Any form of resident abuse, including but not limited to, physical, emotional, sexual or financial abuse, is strictly prohibited. Any associate who becomes aware of any actual or suspected resident abuse will report it immediately to their supervisor or CESLC leadership. Any associate who commits resident abuse or fails to report resident abuse will be subject to disciplinary action.

We provide appropriate and timely healthcare by qualified professionals consistent with clinical guidelines to all residents without regard to race, religion, disability, age, sex, sexual orientation, national origin or source of payment. Residents have the right to participate in medical decision-making and to refuse treatment consistent with the law.

Respecting Each Resident's Privacy and Confidentiality

We respect and protect the privacy of our residents. We safeguard their information and health records according to federal and state requirements, most notably privacy rules implementing the Health Insurance Portability and Accountability Act of 1996. We access and furnish only the minimum amount of health information necessary to provide quality care. All resident information is kept confidential except where disclosure is authorized by the resident or permitted by law.

A resident's medical record shall be accessed for work-related purposes only. The medical record may not be accessed out of curiosity or because the resident is a friend or family member. Associates must not discuss residents with anyone who does not have a need to know. Associates must make sure that any discussions about residents cannot be overheard by anyone who does not have a need to know. Associates are not permitted to download or copy any resident medical records or any other protected health information onto a personal laptop, personal device (such as a tablet or mobile phone) or other personal media (such as a USB flash drive or thumb drive).

Associates are prohibited from including pictures, voice recordings, videos or otherwise discussing residents on any social media post unless the post is authorized. Examples of social media include, but are not limited to Facebook, Twitter, Snapchat, Instagram, YouTube, TikTok and LinkedIn. Associates must be careful when posting anything related to other associates without their permission.

Information Security/Technology

We maintain and monitor all security and data backup systems and storage capabilities to ensure the information is stored and maintained safely in compliance with federal and state requirements as outlined in our policies and procedures. Only authorized individuals are granted access to CESLC computer systems and software programs. Access is granted based on the individual's job responsibilities.

Following Record Retention Requirements

We are required to retain certain records such as employment records, health, safety and environment records, taxes and other accounting records, contracts and research for specific time periods. We adhere to record retention policies consistent with the law and other applicable guidelines. We are mindful of requests for records during any litigation activity, noting that it may be a crime to destroy, discard or alter these records during litigation or other government investigation.

Our Responsibility to Associates

Workplace Conduct and Employment Practices

CESLC treats all associates with respect, dignity and courtesy and expects the same of our associates. We are an Equal Opportunity Employer, and prohibit any form of discrimination in employment opportunities or practices based on race, color, religion, ancestry or national origin, sex, age, marital status, sexual orientation, gender identity, disability or genetic information or any other characteristic

protected by law. Employment decisions are based on merit, qualifications and abilities.

CESLC does not tolerate discrimination or harassment of any kind. We make reasonable accommodations as appropriate for associates with special needs in compliance with the Americans with Disabilities Act and subsequent amendments.

We support and observe a workplace free of alcohol, drugs, tobacco and smoking. CESLC will respond immediately and appropriately, according to CESLC policies and procedures, if an associate is found to have engaged in substance abuse. We provide support to associates who request assistance with substance abuse as appropriate.

Environmental and Safety Considerations

CESLC maintains policies and procedures to ensure a safe working environment. We comply with established safety and infection control policies and procedures, which are intended to prevent job-related hazards, consistent with ergonomic standards and ensure a safe work environment. Violent or threatening behavior is not tolerated.

Each associate is expected to help maintain a safe and healthy workplace by following CESLC's safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions. CESLC provides professional support to understand how we can all better protect each other and our physical workspace in the event of an act of violence.

We comply with all laws and regulations governing the handling, storage, use and disposal of hazardous materials, other pollutants and infectious waste.

Your Responsibility to CESLC

Avoiding Conflicts of Interest

Conflicts occur when actions or activities result in improper personal gain or advantage to an individual, improperly influence business judgment or the performance of business activities or give rise to divided loyalty. We expect all associates to avoid actions that conflict with the best interests of our organization. We are especially concerned about external activities that may negatively impact: 1) the delivery of resident healthcare; 2) CESLC's financial health; or 3) CESLC's overall reputation. Any actual or potential conflicts of interest must be reported to an immediate supervisor or other member of CESLC's leadership for review and action as needed.

Adherence to this Code of Conduct

We expect everyone to adhere to this Code and the policies and procedures that address specific compliance-related and other ethically based topics. We expect you to do the right thing and to ask questions if you are unsure. You are never expected to violate the law.

Violations of this Code, CESLC's compliance requirements or any other applicable law could result in disciplinary action leading to, if serious enough, termination of employment. The decision to take disciplinary action and the extent thereof is made in accordance with our policies and procedures and in collaboration with the VP, Human Resources.

Conclusion

This Code is only a short summary of our overall culture of quality, ethics and integrity. We adhere to regulatory requirements, and we must also be mindful of our mission to deliver quality care and meaningful life experiences to the residents we serve in an environment of integrity.



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