



KERN HEALTH SYSTEMS

Code of Conduct



2025

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Executive Summary

Kern Health Systems, dba Kern Family Health Care, is committed to conducting its business operations in compliance with regulatory and contractual obligations while also delivering high quality and accessible health care services. Kern Health Systems' Compliance Program, Compliance Work Plan, and Code of Conduct together form the core components of the organization's Compliance Program. Kern Health Systems' Compliance Program and Code of Conduct reinforces the organization's purpose and values which support our commitment to integrity and ethical business conduct.

At Kern Health Systems (KHS), compliance and ethical conduct mean doing the right thing while serving the community. The Code of Conduct is a valuable guide to help us choose wisely when faced with an ethical dilemma. All employees, including members of the KHS Board of Directors, are required to perform consistently as outlined in the KHS Code of Conduct.

These six fundamental values: **EQUITY, EXCELLENCE, COMPASSION, COLLABORATION, INNOVATION, and INTEGRITY**, remind us that preserving an ethical workplace is critical to our long-term success as an organization. The Code articulates the standards of behavior that each one of us is expected to observe while performing our jobs, as well as our commitment to complying with all regulatory requirements, state, and federal laws.

As employees, we are all required to ensure compliance and report any potential issues, ethical concerns, or violations of this Code of Conduct in accordance with policies and procedures. For additional information please refer to the Compliance Program Description, Compliance Guide, Employee Handbook, and Policies and Procedures located on the KHS Intranet website.

Emily Duran

Chief Executive Officer

CORE VALUES



KERN HEALTH SYSTEMS CORE VALUES



Equity

- We take action to create a culture of fairness and inclusion that fits all members and employees, regardless of zip code, race, ethnicity, preferred language, cultural preferences, or personal history.
- Equity matters because people matter. We recognize that everyone is beautifully diverse, and we are better as an organization and a community when every individual is able to thrive and contribute their unique gifts.



Excellence

- We continually strive for outstanding results by maintaining high standards, community relevance, and working to improve ourselves and our programs.
- Excellence translates to quality outcomes, and a stronger, healthier community. We take pride in our work and invest the necessary effort to grow and ensure a meaningful, measurable impact for those we serve and work with.



Compassion

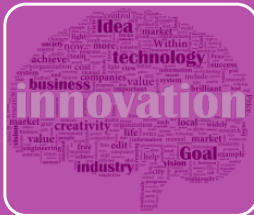
- We seek to see through the eyes of someone else's experience and extend empathy and care.
- Compassion is at the core of who we are. It is something that we give to others and ourselves, recognizing each person's inherent value and worth. When we understand and care for each other, we can design a better solution and respond more productively to those in need.

KERN HEALTH SYSTEMS CORE VALUES



Collaboration

- We leverage each other's experience and expertise to solve problems and accomplish shared outcomes in support of a common mission.
- We recognize that we are most effective when we collaborate. Bringing together different strengths and perspectives promotes greater creativity, and makes for more sustainable, impactful solutions and results.



Innovation

- We create novel methods, solutions or systems that expand what is possible and deepen our potential impact.
- We value experimentation and out-of-the-box thinking as keys to finding new opportunities, improving efficiency, and producing a greater output and value. We are informed by the changing world that we work in, and constantly looking for ways to better serve our members and ourselves.



Integrity

- We do the right thing, even when its not the easy thing.
- Integrity is essential to creating the foundation for trust, workability and performance. Being true to our word and each other is what gives us the best possible chance to succeed and make a lasting difference.

KERN HEALTH SYSTEMS PURPOSE STATEMENT

Health and Equity for All!

It's in everything we do and everything we are. It's our rally cry! It's what brings us together and propels us forward. When we say for all, we mean for *all*. Our members, our community, our providers and our employees at KHS.

At KHS we invest. We invest in what's possible. We equip our community, members, providers, and people to go beyond health and care of the body, to include the health of family, home, work, and relationships.

Our members are the heartbeat of our work. Each day is about serving them, empowering them, and caring for them. Care with the kind of quality that raises people up, breaks the cycle of poverty and opens doors to opportunity.

Employees are not just coming to work; they come to make a difference. They come to KHS as the place to express their full and best gifts, grow as leaders, and leave the community a better place.

When we level up, our community levels up.

Health and Equity for All is about more than healthcare; it's about **fostering a community of care**. This means people-care, member-care, community-care, and provider-care – each facet integral, every individual valued.

Our Values

Equity

Excellence

Compassion

Collaboration

Innovation

Integrity

CODE OF CONDUCT PRINCIPLES

KHS employees are bound to comply, in all official acts and duties, with all applicable laws, rules, regulations, standards of conduct, including, but not limited to laws, rules, regulations, and directives of the federal government and the state of California, including KHS rules, policies, and procedures.

All candidates for employment undergo a reasonable and prudent background investigation, including a reference and criminal background check. Due diligence will be used in the recruitment and hiring process to prevent employment or appointment to positions with substantial discretionary authority, of persons whose record (professional licensure, credentials, prior employment, criminal record or specific “exclusion” from Medi-Cal funded programs) gives reasonable cause to believe the individual has a propensity to fail to adhere to applicable standards of conduct.

All new employees will receive orientation and training in compliance policies and procedures. Participation in required training is a condition of employment. Failure to participate in required training may result in disciplinary actions, up to and including, termination of employment. Every employee is asked to attest that they have received, read, and understood the contents of the compliance plan.

Every employee will receive an initial compliance orientation and periodic training updates regarding compliance protocols as they relate to the employee’s individual duties. Non-compliance or violations will result in sanctioning of the involved employee(s) up to, and including, termination of employment. Disciplinary action will be taken in accordance with Kern Health System Human Resources policies and Employee Handbook.

Employees are required to read, acknowledge, and attest to completion of training on Kern Health Systems’ Code of Conduct, annually. Employees understand and agree their attestation certifies the employee has received, read, agrees with, and will abide by, the Code of Conduct and all Kern Health System policies.

Conduct

Anti-Discrimination/Anti-Harassment. Employees will not unlawfully discriminate or engage in unlawful harassment against anyone on account of age, disability, marital status, national origin, race, religion, sexual orientation, or gender identity in hiring or other employment practices. Employees are responsible for supporting Kern Health System in its endeavor to protect others from such harassments and to assist affected employees in support and preventative action.

Honesty. Employees must not make false or misleading statements to any members and/or persons doing business with Kern Health System or about products or services offered by Kern Health System. Intentional acts of dishonesty are subject to strict disciplinary action, up to and including termination. Suspected violations should be promptly reported to the Compliance team at FraudTeam@khs-net.com.

Professionalism. Personal and professional behavior must conform to the standards expected of persons in their positions and within their responsibilities to ensure no misrepresentation of facts.

Duty to Safeguard. Employees must safeguard the identity, eligibility, individually identifiable health information, and other confidential information in accordance with Kern Health System policies and applicable legal requirements. Suspected violations should be promptly reported to the Compliance team at HIPAATeam@khs-net.com.

Proprietary Information. Employees will safeguard confidential proprietary information, which includes, but is not limited to contractor information, proprietary systems and software, research studies, and reports.

Ethics

Kern Health Systems maintains a strong commitment to comply with all applicable Federal and State requirements and standards under its contract and licensure with the State Regulatory agencies. KHS's organizational expectation requires all employees, Executive officers, Board of Directors, Network Providers, Subcontractors, and Downstream Contractors to act ethically and have a responsibility in ensuring compliance.

Compliance with the Law. Employees will not lie, cheat, steal, or violate any law in connection with their employment with Kern Health System. Employees cannot be suspended, terminated, debarred or otherwise ineligible to participate in any Federal or State health care program. Employees must act ethically, and all employees have a responsibility for ensuring compliance.

Compliance Program and Reporting. Employees are required to promptly report suspected violations of any Federal and/or State statute, regulation, or guideline, or Kern Health Systems policies. Employees must report any non-compliance or misconduct to a supervisor, the Chief Compliance and Fraud Prevention Officer, Director of Compliance and Regulatory Affairs and/or anonymously to the Compliance **Ethics Hotline 1-833-607-6589**.

Regulatory Reporting. Employees must notify the Chief Compliance and Fraud Prevention Officer and/or the Director of Compliance and Regulatory Affairs immediately upon the receipt of an inquiry, or other government request for information from an external body. Employees will not take action with regulatory bodies that is false or misleading and will communicate with regulatory agencies in a direct, open, and honest manner.

Accurate Books and Records. Financial reports, accounting records, expense accounts, timesheets, regulatory reporting, and other documents must be prompt and accurately represent the facts or true nature of the transaction(s). Improper or fraudulent documentation or reporting will violate this policy and may violate the law. Employees are to report inaccuracies promptly.

Preservation of Documentation and Records. Employees will not destroy or alter information or documents in anticipation of, or in response to, a request for documents by any governmental agency or court with jurisdiction.

Protection of Company Property. Employees are responsible for protecting and taking reasonable steps to prevent the misuse, theft, or damage of Kern Health System assets. Kern Health System property may not be converted to personal use.

Conflicts of Interest

Avoiding Conflict. Employees are expected to avoid, and not engage in, situations or business practices that conflict with the interests of the company. If under any circumstance, employee interests' conflict with those of Kern Health Systems, the employee must seek advice from the Chief Compliance and Fraud Prevention Officer and their senior management.

Business Relationships. Offering, giving, soliciting, or accepting any form of bribe or other improper payment is expressly prohibited. Kern Health Systems' business must be executed in a manner designed to further the interests of Kern Health Systems, rather than the interests of an individual.

Gifts. Employees will not accept or solicit personal gratuities, gifts, favors, services, entertainment, or any other things of value from any person or organization unless specifically permitted by Kern Health Systems.

Meals. Employees may not accept cash or cash equivalents. Perishable or consumable gifts given to a department are not subject to any specific limitation. Business meetings at which a meal is served are not prohibited from being provided by Kern Health Systems to a partner, or by a partner to Kern Health Systems.

Use of Funds. Kern Health Systems and its employees will not make gifts of public funds or assets or lend credit to private persons without adequate consideration unless such actions clearly serve a public purpose and are approved by the Legal Department.

The Code of Conduct is a living document that will be reviewed on an annual basis and updated as necessary to reflect the needs of the organization. A copy can be downloaded from the KHS Intranet as well as our website- kernfamilyhealthcare.com.

Without programs to prevent, detect, and correct non-compliance, risk is created for potential harm to members, such as delayed services, denial of benefits, difficulty in using providers of choice and other hurdles to care or loss of contracts or licensures.

If anyone has questions regarding the Code of Conduct, our Compliance Program, or are unsure if something is non-compliant or in violation, please reach out to the Chief Compliance and Fraud Prevention Officer via email at deborah.murr@khs-net.com or phone at 661-664-5541, and/or the Director of Compliance and Regulatory Affairs via email @ jane.macadam@khs-net.com or phone at 661-664-5016 or the Compliance team via email at Compliance@khs-net.com.

Compliance is your partner, advocate, and confidante; ready to assist with all compliance related issues.