



HOMETOWN PHARMACY

INTEGRITY PROGRAM



HomeTown Teammates:

The HomeTown Integrity Program serves as the basis for our values as a company. It is critical to ensure and maintain our compliance culture. As we continue to grow and our industry becomes ever more regulated we depend on each of you to contribute and work hard in upholding all applicable laws and compliance processes.

Our customers and patients depend on us for quality care and exceptional service. Our Integrity Program enforced through our Corporate Compliance Board reflects our pledge to maintain that trust and always practice with the highest ethical standards and business practices.

It is important that each of you read this booklet and sign the attached acknowledgement to be returned to Human Resources via your manager. If you ever have a question or concern, talk with your manager. If that is not appropriate for the situation, or you wish to remain anonymous, corporate contact information is included in this booklet.

Thank you for your commitment in making sure we continue to operate within the stringent standards we set for ourselves. The reputation of this company is each of our responsibilities. Take this role seriously and encourage your fellow teammates to do the same. Together we can preserve our high ethical standards.

Fred Grice

President and Chief Executive Officer

The HomeTown Pharmacy Integrity Program

The HomeTown Integrity Program holds a common objective:

To maintain a quality compliance culture supported by systems and processes that focus on prevention, detection and response to any and all compliance issues.

Workplace Compliance

HomeTown Pharmacy is committed to meeting the highest standards of business practice and professional ethics in all its activities. To that end, each of our team members must endeavor to be constantly vigilant that their efforts and those of their teammates reflect positively on themselves and the company. To ensure compliance with all required business practices, HomeTown Pharmacy has adopted the Awareness, Detection And Reporting program “ADAR.”

AWARENESS – Team Members will be aware of acceptable business practices as directed by company policy, external contracts and regulatory guidelines.

DETECTION – Team Members will remain vigilant to recognize violations of company policy, external contracts and regulatory directives.

REPORTING – Team Members will understand the method and importance of reporting violations of company policy, external contracts and regulatory directives.

External Inquiries

HomeTown Pharmacy recognizes the need to strike a balance between protecting customer health information and responding to inquiries by various outside agencies. To ensure the flow of information is properly controlled, internal policies provide direction of acceptable information distribution practices. All information requests outside of normal business practices, and thus outside of internal policy directives, whether made in person or in writing, shall be referred to the Director of Professional Services.

Workplace Conduct and Employment

HomeTown Pharmacy is committed to providing a workplace that is compliant with all state and federal laws. The company is committed to meeting the highest standards of business practice and code of ethics. HomeTown Pharmacy has an outstanding reputation of integrity that allows us to provide quality service and products to the communities we serve.

In order to uphold our responsibility of integrity, professionalism and providing a safe work environment; the company must watch for certain areas that may affect an employee’s ability to accomplish his/her job responsibilities.

Conflict of Interest

HomeTown Pharmacy will not tolerate a conflict of interest that hinders the performance of its employees while in the workplace.

Copyrights

Employees of HomeTown Pharmacy must only make copies of copyrighted documents pertaining to the company.

License and Certification Renewals

Employees that require licenses or certification are responsible for maintaining current status of their credentials.

Ineligible Persons

HomeTown Pharmacy does not contract with or employ or bill for services that are deemed ineligible to participate in Federal healthcare programs.

Relationships with Healthcare Partners***Patients***

HomeTown Pharmacy allows for no discrimination in care regardless of patient factors including, but not limited to, age, color, race, religion, handicap, sex, sexual orientation, marital status, or payment source. Medical decisions are not made based on organizational economics but rather on sound clinical and therapeutic reasoning.

Any patient information collected in order to provide pharmacy services is protected under the mandates of the Health Information Privacy Protection Act. All HomeTown Pharmacy employees who have any contact with patient information will be educated and tested on the provisions of this act. Any unauthorized release of, or access to, a patient's medical information or perceived patient discrimination for reasons as described above should be reported to a supervisor or the Corporate Compliance Officer.

Third-Party Payors

HomeTown Pharmacy will take great care to assure that all billings to insurance payors, whether private or governmental, reflect the highest degree of truth and accuracy and conform to all federal and state laws and regulations. HomeTown Pharmacy will have necessary training and informational processes in place to give individuals involved in billing the knowledge to be compliant with all such regulations.

Each HomeTown Pharmacy employee who is involved with submitting charges, and performing and monitoring billing of claims and services is expected to maintain the highest standards of personal, professional and institutional responsibility. HomeTown Pharmacy expects such individuals to

monitor compliance with all applicable billing rules and expressly prohibits anyone from knowingly presenting, or causing to be presented, claims for payment which are false or fraudulent.

HomeTown Pharmacy will have oversight systems in place to monitor and verify that claims are submitted for services provided and that they are billed as provided. All employees involved in billing shall report any perceived billing irregularities to a supervisor or the Corporate Compliance Officer.

HomeTown Pharmacy will be forthright in dealing with any billing inquiries. Requests for information will be answered with complete and accurate information and all employees will courteously cooperate with any inspectors/auditors. During such an inspection HomeTown Pharmacy will not conceal, alter or destroy documents and will not encourage any individual to fail to provide or obstruct in the collection of information or records.

Any Subcontractors involved in performing billing services are expected to have the necessary skills and to have their own compliance program and code of conduct or to adopt HomeTown Pharmacy's as their own. They must provide and document regular training, education and monitoring of their staff.

Subcontractors and Suppliers

HomeTown Pharmacy will manage its relationships with subcontractors and suppliers consistent with all applicable laws and sound business practices. The selection of such subcontractors and suppliers will be made based on objective criteria such as quality, price and service and not on personal relationships and/or friendships. HomeTown pharmacy will always strive to employ the highest ethical standards and business practices in the negotiation, selection and administration of all subcontractor and supplier accounts.

Regulatory Compliance

HomeTown Pharmacy operates in an industry which requires regulatory compliance in a variety of programs. Employees are depended upon to help in regulatory compliance in such programs as:

- . Protected Health Information
- . Federal and State Billing Regulations
- . Controlled substance registration, procurement and distribution
- . Pharmacy licensure and registration
- . Occupational Safety and Health regulations
- . Building, safety and fire codes
- . Labor, Tax and Securities regulations

HomeTown Pharmacy will comply with all applicable laws and regulations. To that end, HomeTown Pharmacy will make every effort to assure that employees dealing with these programs are provided with information and education on pertinent rules so they are knowledgeable about, and compliant with all applicable laws and regulations. Any suspected violations should be immediately reported to a supervisor or the Corporate Compliance Officer.

In regards to billing, the Department of Health and Human Services and the Office of Inspector General has notified pharmacy providers of areas of specific concern. These include:

- . Failure to provide full amount of prescription (shorting)
- . Double billing a prescription
- . Billing multiple payors for a single prescription
- . Billing forged or altered prescriptions
- . Submitting claims for brand name when dispensing generic

HomeTown Pharmacy will be diligent to ensure review and education on these or other similar areas of guidance to make all efforts to ensure compliance.

Accuracy, Retention, and Disposal of Documents and Records

HomeTown Pharmacy will maintain documents and records to comply with legal and regulatory requirements and to defend its business practices. No one will alter or falsify information on any record or document. HomeTown Pharmacy has policies regarding the retention of business documents such as letters, memos, e-mails and computer files. No one will tamper with, or remove or destroy such records prior to the specified date. If any such activity is suspected it will be reported to a supervisor or the Corporate Compliance Officer.

Confidential Information

Personal health information is protected as has been previously discussed. HomeTown Pharmacy also has a wealth of other confidential information which is a valuable asset.

This could include, but is not limited to, information on pricing and cost data, financial data, marketing strategies, strategic plans, personnel data, and proprietary technology. Such information should not be shared with others unless proper authorizations have been obtained in writing.

Reporting and Confidentiality

HomeTown has an open reporting environment for integrity concerns to be raised and addressed. HomeTown is committed to ethical and legal conduct that is compliant with all relevant laws and regulations and to correcting wrongdoing wherever it may occur in the organization.

All HomeTown teammates have the responsibility to report any and all integrity concerns. Every concern is important, no matter who raises it or how it is raised. Each individual may report any identified issues or questions associated with HomeTown policies, conduct, practices, or procedures believed by the individual to be a potential violation of criminal, civil, or administrative law, without fear of retribution. HomeTown has zero tolerance for retaliation.

A teammate may report any identified issues or questions believed to be a potential violation by sending a confidential report to any of the following:

- Manager
- Human Resources
- Corporate Compliance Team Members

This report shall not be disclosed except: (1) to members of the Committee; (2) to members of management or management representatives having a need to know; and (3) as may be required by law or order of a court of competent jurisdiction.

Any individual making a report is assured that such reports are treated as confidential and will be shared only on a need-to-know basis. No adverse action against a person making a good-faith report will be taken. If a report is not made of conduct violating HomeTown policies of which a teammate is aware that teammate may be subject to disciplinary action, up to and including termination of employment.

Corrective Action and Discipline

Violations of HomeTown Code of Conduct and failure to comply with applicable federal or state law and other types of misconduct threaten Hometown's status as a reliable, honest and trustworthy provider capable of participating in federal healthcare programs.

Where an internal investigation substantiates a reported violation, it is the policy of HomeTown to initiate corrective disciplinary action as applicable depending on the nature, severity, and frequency of the violation.

Equal Opportunity Employment

HomeTown complies with all federal, state and local laws prohibiting discrimination in employment.

Workplace Environment

Each individual working on behalf of HomeTown has a right to work in a safe environment and one free of harassment.

HomeTown will not tolerate any form of harassment of those who work within the organization.

HomeTown will not tolerate any workplace violence.

Health and Safety

HomeTown complies with government regulations, rules and corporate/facility policies that promote the protection of workplace health and safety. We promote and support screening, immunizations and protecting those teammates in direct contact with our patient populations.

Substance Abuse and Mental Acuity

HomeTown is committed to an alcohol and drug-free work environment. A teammate reporting to work under the influence of any illegal drug or alcohol, possessing, using, or selling illegal drugs while on HomeTown work time or property may result in immediate termination.

It is recognized that prescription drugs could also impair judgment or other job related skills and your supervisor should be consulted if you have questions about such an effect on your performance or those of a co-worker.

HomeTown works to build the right structure to anticipate, assess and manage risks. We strive to be proactive in training, communicating and evaluating the Integrity Program to confirm all processes are in place and effective as part of our integrity culture.

**HOME TOWN PHARMACY TEAMMATE
INTEGRITY PROGRAM TEAMMATE
ACKNOWLEDGEMENT FORM**

(Please see your Manager for the location copy or contact Human Resources)

I acknowledge that I have received and read HomeTown's Teammate Integrity Program Booklet.

I understand that every teammate is required to comply with the information described in the booklet.

When I have a concern about possible compliance violations, I will report the concern to a Manager, Human Resources or a Corporate Compliance Officer.

TEAMMATE'S SIGNATURE

DATE

TEAMMATE'S NAME (Printed)

LOCATION

A copy of this form will be retained in your personnel records.