



# CODE OF CONDUCT

*The Smile Way Group*

# Dear Colleague of The Smile Way Group,

Whether you are an employee of Smile America Partners or one of the Dental Professional Practices (“DPPs”) that Smile America Partners administratively supports, the decisions you make every day affect your immediate co-workers, customers, and The Smile Way Group as a whole. (See Exhibit A for a list of current DPPs.) Your actions as an individual employee reflect on us all and influence how others perceive our organization and the brands we serve. Each of us, through our actions and decisions, has the power to improve our workplace, build the trust of our customers and partners and enhance our overall reputation. As a result, I am excited to introduce the updated Code of Conduct of The Smile Way Group that defines the behaviors and conduct we expect from each other and for which we hold ourselves accountable.

This Code of Conduct is a vital component of a more comprehensive, values-based Corporate Compliance Program. The Code helps further define our decisions and actions. It articulates the policies and practices that govern ethical conduct and compliance issues. It includes one set of rules that apply to you, me and everyone associated with The Smile Way Group. Please take the necessary time to review the Code of Conduct thoroughly. Your adherence to its spirit, as well as its specific provisions, is integral to our success in fulfilling our vision to provide high quality oral health care to children in need of our care.

If you have questions regarding this Code of Conduct or encounter a situation you believe violates provisions of this Code, you should immediately consult your supervisor, another member of our leadership team, The Smile Way Group Compliance Helpline 1.800.447.9207 or the Chief Compliance Officer. You have my personal assurance that your confidentiality and privacy will not be compromised for raising concerns about the Code or for reporting possible improper conduct.

I am proud to work alongside all of you and believe passionately in the many strengths and talents of this organization. I want us all to commit to having the finest culture in the industry. Our Code is an integral part of that effort. In that spirit, I ask you to assist me and all of our colleagues to assure our actions consistently reflect our words and incorporate our values and standards into your daily work activities.



**Steve Higginbotham**  
**Chief Executive Officer**

**SMILE AMERICA®**  
P A R T N E R S



## PURPOSE OF OUR CODE OF CONDUCT

Our Code of Conduct (“Code”)<sup>1</sup> provides guidance to the personnel of Smile America Partners (“SAP”) and all affiliated Dental Professional Practices (“DPPs”) that SAP administratively supports, collectively known as “The Smile Way Group.” (See Exhibit A for a list of current DPPs.) The purpose of the Code is to assist all of us in carrying out our daily activities within appropriate ethical and legal standards. These obligations apply to our relationships with patients, third-party payers, subcontractors, independent contractors, vendors, consultants, and one another.

The Code is a critical component of our overall Ethics and Compliance Program. It is The Smile Way Group’s policy to provide services in compliance with all federal and state laws governing our operations, and consistent with the highest standards of business and professional ethics. This policy is a solemn commitment to our customers, to our community, to those government agencies that regulate our industry, and to ourselves. In order to ensure that the organization’s compliance policies are consistently applied, our Compliance Program is directed by a Chief Compliance Officer who is charged with reviewing our compliance policies and specific compliance situations that may arise.

The standards set forth in the Code apply to all officers, employees, and any professionals directly employed by, or under contract with any of the affiliated entities of The Smile Way Group. This Code also applies to certain contractors and vendors. The standards are mandatory. All personnel must comply with this Code of Conduct and applicable law and act in an ethical manner when conducting business. Conduct that does not comply with this Code is not authorized by The Smile Way Group, is outside the scope of activities authorized on behalf of the organization, and may subject you to disciplinary action.

You should review this Code from time to time to make sure that these policies guide your actions on behalf of The Smile Way Group. If, at any time you become aware of any suspected violation of this Code or any organizational policies, you must report it to your supervisor or to the Chief Compliance Officer. All persons making such reports are assured that such reports are treated as confidential. Such reports will be shared only on a bona fide need-to-know basis. The Smile Way Group will not retaliate against persons making such reports, whether or not the report ultimately proves to be well founded. You may make anonymous reports, if desired, through the corporate-wide compliance reporting system at 800.447.9207. If you do not report known conduct suspected to violate this Code or policies, you may be subject to disciplinary action (up to and including termination of employment).

Our Code is readily available  
to all personnel online at  
[SmileAmericaPartners.com/  
Compliance](https://SmileAmericaPartners.com/Compliance)

The Code is intended to be comprehensive. Some laws discussed in this Code of Conduct are complex and many of the concepts are developed in case-by-case determinations. In some instances, the Code deals fully with the subject covered. In many cases, however, the subject requires additional guidance for those directly involved with the particular area to have sufficient direction. As such, The Smile Way Group will

supplement specific policies to personnel who are particularly affected by and who must comply with them in the course of their job performance and duties.

In addition, this Code deals only generally with some of the more important legal principles. Their mention is not intended to minimize the importance of other applicable laws, professional standards or ethical principles, which may be covered in other policies. If a question arises as to whether any action complies with The Smile Way Group's policies or law, you should present that question to your supervisor, or, if appropriate, directly to the Chief Compliance Officer.



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<sup>1</sup> The Corporate Compliance Program and this Code are not intended to and will not be deemed or construed to provide any rights, contractual or otherwise, to any personnel or to any third parties.

## LEADERSHIP RESPONSIBILITY

While all colleagues of The Smile Way Group are obligated to follow our Code, we expect our leaders to set the example, and to be in every respect a model. Everyone in the organization with supervisory responsibility is expected to exercise that responsibility in a manner that is kind, sensitive, thoughtful, and respectful. Each supervisor is responsible to create an environment where all team members are encouraged to raise concerns and propose ideas.

We also expect supervisors will ensure their team members have sufficient information to comply with laws, regulations, and policies, as well as the resources to resolve ethical dilemmas. It is incumbent upon leaders to create a culture within The Smile Way Group that promotes the highest standards of ethics and compliance. This culture must encourage everyone in the organization to share concerns when they arise. We must never sacrifice ethical and compliant behavior in the pursuit of business objectives.

Each supervisor, manager, team leader, and dentist are responsible to ensure that the personnel under their supervision act ethically and in compliance with applicable law and the Code. Each employee is responsible for acquiring sufficient knowledge to recognize potential compliance issues and to seek advice regarding such issues.

## OUR FUNDAMENTAL COMMITMENT

One of The Smile Way Group's strongest assets is a reputation for integrity and honesty. A fundamental principle on which we will operate is full compliance with applicable laws. The Smile Way Group will also conduct its profession and business with high ethical standards. Achieving business results by illegal acts or unethical conduct is not acceptable.

## LEGAL AND REGULATORY COMPLIANCE

We operate in a highly regulated industry and must monitor compliance with a variety of highly complex regulatory schemes. This requires cooperation of all personnel in complying with these regulations and bringing lapses or violations to light. Some of these regulatory schemes may carry criminal penalties, while others control the licenses and certifications that allow our providers to deliver care to patients. Our organization's continued ability to operate and serve the community depends upon each employee's help in regulatory compliance.

Some of the regulatory programs that employees may deal with in the course of their duties include the following

- State licensure
- Medicaid certification/conditions of participation
- Health information privacy and security
- Determination of need
- Controlled substance registration
- Occupational Safety and Health regulations
- Building, safety and fire codes

### Know the Code!

The values and behaviors summarized in the Code guide us in making ethical decisions in work-related situations.



The Chief Compliance Officer can provide employees with information on these rules and can direct questions or concerns to the proper person. Anyone aware of violations or suspected violations of laws, regulations, standards and the conditions of participation, or any of The Smile Way Group's policies and procedures must report them immediately to a supervisor, member of management, or the Chief Compliance Officer.

## **RESPONSE TO THIRD-PARTY INVESTIGATIONS**

All personnel of The Smile Way Group will cooperate with appropriate government investigations into possible civil and criminal violations of law. It is important, however, that in this process the organization be able to protect its own legal rights and those of its personnel. To accomplish these objectives, any governmental inquiries or requests for information, documents or interviews should be promptly referred to the Chief Compliance Officer.

Personnel who participate in government interviews will give answers that are truthful, complete and unambiguous, subject to applicable legal privilege. Federal and state agencies have broad legal authority to investigate The Smile Way Group and review records. All are expected to comply with subpoenas, as well as cooperate with governmental investigations, to the full extent required by law. The Chief Compliance Officer is responsible for coordinating response to investigations and the release of any information.

If a department, employee or professional associate receives an investigative demand, subpoena or search warrant involving any of The Smile Way Group entities, it should be brought immediately to the Chief Compliance Officer. Do not release or copy any documents without authorization from the Chief Compliance Officer. If an investigator, agent or government auditor comes to a location of The Smile Way Group, including a school, contact the Chief Compliance Officer immediately. In the Chief Officer's absence, contact Smile America Partners' CEO. Ask the investigator to wait until the Chief Compliance Officer or their designee arrives before reviewing any documents or conducting any interviews. The Chief Compliance Officer is responsible for assisting with any interviews and will provide counsel to employees, where appropriate. If approached by government investigators or agents, you have the right to insist on being interviewed only at an organization location, during business hours or with counsel present.

Employees are not permitted to alter, remove or destroy documents or records of The Smile Way Group, except as provided in the record retention policy. This includes paper, tape, and computer records.

Subcontractors who provide items or services in connection with the Medicaid programs are required to comply with our policies on responding to investigations. Subcontractors must immediately furnish the Chief Compliance Officer or authorized government officials with information required in an investigation.

## **BUSINESS AND FINANCIAL INFORMATION**

### **Accuracy, Retention, and Disposal of Documents and Records**

Each colleague is responsible for the integrity and accuracy of our organization's documents and records, not only to comply with regulatory and legal requirements but also to ensure records are available to support our business practices and actions. No one may alter or falsify information on any record or document. Records must never be destroyed in an effort to deny governmental authorities that which may be relevant to a government investigation.

Personnel will be honest in all dealings with government agencies and their representatives. No misrepresentations will be made, and no false bills or requests for payment or other documents will be knowingly submitted to government agencies or representatives.

All business transactions will be carried out in accordance with management's general or specific directives. All the books and records will be kept in accordance with generally accepted accounting standards or other applicable standards. All transactions, payments, receipts, accounts and assets will be completely and accurately recorded on the organization's books and records on a consistent basis.

No payment will be approved or made with the intention or understanding that it will be used for any purpose other than that described in the supporting documentation for the payment. All information recorded and submitted to other persons must not be used to mislead those who receive the information or to conceal anything that is improper. Books and records will be created, maintained, retained, or destroyed in accordance with the law and any records management policy.

### **Coding and Billing for Services**

Because The Smile Way Group's dental teams provide dental services and our administrative services personnel may provide billing services on behalf of the dental providers, the organization has implemented policies, procedures and systems to facilitate accurate billing to government payers, commercial insurance payers, and patients have been implemented. These policies, procedures, and systems conform to pertinent federal and state laws and regulations, including using the required CDT coding system. We prohibit any colleague or agent of The Smile Way Group from knowingly presenting or causing to be presented claims for payment or approval which are false, fictitious, or fraudulent.

In support of accurate billing, medical records must provide reliable documentation of the services rendered. It is important that all individuals who contribute to medical records, including those involved in direct patient care and those involved in billing or coding services, provide timely and accurate information and do not destroy any information considered part of the official medical record.

SAP will implement, on behalf of itself and each DPP, controls for ensuring proper data entry and billing documentation procedures. Internal audits will be conducted periodically with respect to billing and coding matters and related documentation.

Any subcontractors engaged to perform billing or coding services are expected to have the necessary skills, quality control processes, systems, and appropriate procedures to ensure all billings for government and commercial insurance programs are accurate and complete. We expect such entities to have their own ethics and compliance programs and code of conduct. In addition, third-party billing entities, contractors, and preferred vendors under contract consideration must be approved consistent with the corporate policy on this subject.

## Medical Necessity and Quality of Care

DPPs are permitted only to bill for services that are medically necessary and are committed to providing the highest quality dental care. SAP, on behalf of each DPP, will implement processes to ensure the medical necessity of services rendered and that such medical necessity is documented. Internal audits will be conducted periodically with respect to such medical necessity, and the Chief Compliance Officer shall have access to the results of any and all such audits.

## False Claims and Whistleblower Protections

The Smile Way Group is subject to the False Claims Act (“FCA”), which provides severe penalties for anyone who “knowingly” submits or causes the submission of a false claim or makes false statements to a federal health care program, such as the Medicare, Medicaid, or Champus/TriCare programs. The term “knowingly” is interpreted broadly to include situations in which the person “should have known” that the claim was false, and the government does not need to prove that the person acted with specific intent to defraud the government.

### Examples of potential violations of the FCA include:

- Using a false record or false statement to obtain federal health care program payment
- Claiming reimbursement for services that have not been rendered
- Filing duplicate claims
- Up-coding to more complex diagnoses or procedures than actually performed
- Billing for items or services that are not medically necessary
- Billing excessive charges
- Coding for services that are not supported by the medical record documentation
- Billing for services provided by unqualified or unlicensed clinical personnel
- Misuse of provider identification numbers, which results in improper billing
- Failure to properly use billing modifiers
- Failing to refund overpayments or credit balances in a timely manner, typically no later than 60 days after identification of the overpayment or balance due

Violations of the FCA include significant criminal and civil monetary penalties.

If an employee, contractor, or agent is discharged, demoted, suspended, threatened, harassed, or discriminated against for raising concerns about potential FCA violations or actions taken to comply with the FCA, they may be a protected “whistleblower” and can bring an action in federal district court seeking reinstatement, two times the amount of back pay, and other costs, damages, and fees.

The FCA also provides that private parties may bring a false claims action on behalf of the United States. These private parties, known as “qui tam relators,” may share in a percentage of the proceeds from a FCA action or settlement. When the government elects to intervene in a qui tam lawsuit, the relator may receive at least 15%, but not more than 25% of the proceeds depending on the extent to which the relator substantially contributed to the prosecution of the action. When the government does not intervene, the relator receives an amount that is reasonable, but not less than 25% and not more than 30% of the amount recovered. Many states have laws similar to the FCA, which provide similar protections and penalties.



Personnel involved in billing functions must comply with all federal, state, and third-party payer laws, regulations, and guidelines, and report any potential violations, suspect practices, or billing concerns to the Chief Compliance Officer.

## Confidential Information

The term “confidential information” refers to proprietary information about The Smile Way Group’s strategies and operations, as well as patient and third-party information. Improper use or disclosure of confidential information could violate legal and ethical obligations. Colleagues of The Smile Way Group may use confidential information only to perform their job responsibilities and shall not share such information with others unless the individuals and/or entities have a legitimate need to know the information in order to perform their specific job duties or carry out a contractual business relationship, provided disclosure is not prohibited by law or regulation.

All personnel must maintain the confidentiality of our business information and of information relating to our vendors, suppliers, providers, and persons covered by any of the organization’s services.

Employees of The Smile Way Group also possess sensitive, confidential information about patients and their care. Patients properly expect that this information will be kept confidential. We take very seriously any violation of a patient’s confidentiality and are committed to complying with applicable federal and state laws that govern the use and disclose of medical information, including the Health Insurance Portability and Accountability Act and the HIPAA regulations. In order to comply with HIPAA, all patients of a DPP will be provided with a copy of the DPP’s Privacy Practices Notice. Patients also will be required to sign acknowledgments of their receipt of the Privacy Practices Notice.

Employees may only have access to medical information as needed to perform their job duties and disclosure of medical information is strictly limited to those individuals or entities that have a reason to know the information, as allowed by law. Discussing a patient’s medical condition or providing any information about patients to anyone other than personnel who need the information and other authorized persons, may result in disciplinary action, including termination. Employees should not discuss patients outside the organization or with their families or otherwise use or disclose patient information to any unauthorized person.

### What should you do

**if your neighbor asks you to check the patient record of a nephew and let her know if he has cavities?**

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**You may ONLY access patient medical information as needed for your job. You can ONLY share information with authorized persons. Do NOT share information with your neighbor.**



Medical records are strictly confidential, which means that they may not be released except with the consent of the patient or in other limited circumstances. Special protections apply to mental health records, records of drug and alcohol abuse treatment, genetic testing information, and records relating to communicable diseases, including HIV infection. Medical records should not be physically removed from any location of The Smile Way Group, altered or destroyed, except as particularly allowed by policy. Employees who have access to medical records, including electronic access, must take action to preserve their confidentiality, security and integrity, and no employee is permitted access to the medical record of any patient without a legitimate work-related reason for so doing. Any unauthorized release of or access to medical records should be immediately reported to a supervisor or the Chief Compliance

Officer. The Smile Way Group and its employees may not retaliate against any employee or individual who makes a complaint about an individual's privacy rights.

Patient information may be shared with third parties only in accordance with applicable state and federal laws. Any subcontractor who performs a function on behalf of any entity of The Smile Way Group must first sign a Business Associate Agreement that complies with the requirements of the HIPAA Privacy Rule.

The Smile Way Group has implemented administrative, physical, and technical safeguards to preserve the integrity, confidentiality and availability of patient information and other electronically stored data. We have adopted policies and procedures in accordance with the HIPAA Security Rule. An employee with electronic access to patient information must be authorized through a valid unique login and password. An individual who does not have a legitimate password will be held to know that access is unauthorized and sharing of login information or passwords is prohibited. The Smile Way Group also prohibits the unauthorized access, alteration, destruction, or damage to computers, computer systems, software or data contained within its system or computer network. Copying, transmitting, or downloading of data except in the course of an employee's authorized job duties is strictly prohibited.

State computer crime laws are designed to punish and deter computer crime. In compliance with the law, we prohibit unauthorized access to The Smile Way Group's computer system, either directly or by network or telephone. Persons who violate these rules will be prosecuted to the full extent of the law.

## **WORKPLACE CONDUCT AND EMPLOYMENT PRACTICES**

### **Conflict of Interest**

Employees of The Smile Way Group should avoid all potential conflicts of interest. Adherence to this policy ensures that employees act with objectivity in carrying out their duties for the organization. Employees may not use The Smile Way Group's assets for personal benefit or personal business purposes. Employees may not divulge or use confidential information—such as financial data, payer information, computer programs, and patient information—for their own personal or business purposes. Employees may also have a conflict of interest if the demands of any outside activities hinder or distract the employee from the performance of their job.

Any personal or business activities by an employee that may raise concerns along these lines must be reviewed with, and approved in advance, by the employee's immediate supervisor and the Chief Compliance Officer. Additionally, if an employee has any questions whether an outside activity might constitute a conflict of interest, he or she should consult with their supervisor and obtain their supervisor's approval in writing before pursuing the activity.

Each employee and board member will be required to sign a conflict of interest statement on an annual basis indicating that he or she has no knowledge of any activity or person participating in any activity that violates SAP's or the applicable DPP's conflict of interest policies and guidelines.

In order to comply with requirements of the Medicaid program, every employee of The Smile Way Group must notify the Chief Compliance Officer if they were employed by a Medicare or Medicaid intermediary or carrier at any time during the year preceding their employment. An employee's failure to make this disclosure at the time of employment could cause The Smile Way Group to lose its right to participate in Medicaid. Further, employees must inform the Chief Compliance Officer if they

have previously been employed by state Medicaid programs in which The Smile Way Group participates. Violation of a state conflict of interest law is punishable by a fine or imprisonment.

### **Controlled Substances**

Unauthorized manufacture, distribution, use, or possession of controlled substances by employees of The Smile Way Group is strictly prohibited and will be prosecuted to the full extent of the law. Any employee who knows of unauthorized handling of controlled substances is to provide the information immediately to their supervisor or the Chief Compliance Officer.

### **Diversity and Equal Employment Opportunity**

The Smile Way Group is committed to a policy of nondiscrimination and equal opportunity for all qualified applicants and employees, without regard to race, color, sex, religion, age, national origin, ancestry, disability, marital status, sexual orientation or any other criterion specified by federal, state and/or local laws. Our policy of nondiscrimination extends to the care of patients. Discrimination may also violate federal, state, and/or local anti-discrimination laws and trigger substantial civil penalties.

If an employee feels he or she has been discriminated against or harassed on the basis of their race, color, sex or other protected category, they should contact the Chief Compliance Officer so that an investigation may be initiated in accordance with our policies and procedures.

### **Harassment and Workplace Violence**

Each colleague has the right to work in an environment free of harassment and disruptive behavior. We do not tolerate harassment by anyone based on the diverse characteristics or cultural backgrounds of those who work with us. Degrading or humiliating jokes, slurs, intimidation, or other harassing conduct is not acceptable in the workplace. Sexual harassment is prohibited. This prohibition includes unwelcome sexual advances or requests for sexual favors in conjunction with employment decisions. Moreover, verbal or physical conduct of a sexual nature that interferes with an individual's work performance or creates an intimidating, hostile, or offensive work environment has no place at The Smile Way Group.

Harassment also includes incidents of workplace violence. Workplace violence includes robbery and other commercial crimes, stalking, violence directed at the employer, terrorism, and hate crimes committed by current or former colleagues. Colleagues who observe or experience any form of harassment or violence should report the incident to their supervisor, a member of management, the Chief Compliance Officer, Dynamic HR Services or The Smile Way Group Compliance Helpline.

We adhere to a weapons-free workplace policy. No firearm or other weapon may be carried in any building or vehicle owned or leased by The Smile Way Group, except by authorized law enforcement personnel.

### **Health and Safety**

All SAP and DPP employees and affiliates must comply with all government regulations, rules, the Accident Management and Investigation Policy and any other applicable SAP and/or DPP policies, and required practices that promote workplace health and safety. Policies have been developed to protect individuals from potential workplace hazards. Employees should become familiar with and understand how these

policies apply to their specific job responsibilities and seek advice from their supervisor whenever they have a question or concern. It is important for employees to advise their supervisor of any serious workplace injury or any situation presenting a danger of injury so timely corrective action may be taken to prevent additional and/or more serious injuries or property damage from occurring in the future.

### **Personal Use of Organization Resources**

It is the responsibility of each colleague to preserve our organization's assets including time, materials, supplies, equipment, and information. Organization assets are to be maintained for business-related purposes. Generally, the personal use of any asset of The Smile Way Group without prior supervisory approval is prohibited. The occasional use of items, such as copying facilities or telephones, where the cost is insignificant, is permissible. Any community or charitable use of organization resources must be approved in advance by one's supervisor. Any use of organization resources for personal financial gain unrelated to the organization's business is prohibited.

### **Political Activities**

No funds or property of The Smile Way Group will be used for any political contribution or purpose. Personnel may not directly or indirectly authorize, pay, promise, deliver or solicit any payment, gratuity or favor for the purpose of influencing any political official or government employee in the discharge of that person's responsibilities.

Personnel may make direct contributions of their own money to political candidates and activities, but these contributions will not be reimbursed.

### **Relationships with Independent Contractors and Vendors**

The Smile Way Group purchases goods and services from many consultants, independent contractors, and vendors. Our policy is that all contractors and vendors who provide goods or services must comply with all applicable laws and The Smile Way Group's Code of Conduct. The selection of consultants, independent contractors, and vendors by SAP and the DPPs will be made on the basis of objective criteria including quality, technical excellence, price, delivery, adherence to schedules, service, and maintenance of adequate sources of supply and not on personal relationships.

Each consultant, vendor, contractor or other agent that has access to a patient's Protected Health Information will be given a copy of this Code of Conduct and will agree in writing to be bound by the same terms and conditions that apply to the organization as a Business Associate and will provide a written certification that it is aware of and will comply with the Code of Conduct and applicable compliance policies. Contractors should bring any questions or concerns about The Smile Way Group's practice or their own operations to the Chief Compliance Officer.

Employees who work with consultants, contractors, and vendors or who process their invoices should be aware that The Smile Way Group's compliance policies apply to those outside companies as well. Employees are encouraged to carefully monitor the activities of contractors in their areas. Any irregularities, questions or concerns on those matters should be directed to the Chief Compliance Officer.

## BUSINESS INTERACTIONS

### Anti-Kickback Laws

The federal and state anti-kickback laws prohibit The Smile Way Group from knowingly and willfully offering, paying, asking for, or receiving any money or other benefit (including payments, discounts, or gifts offered to patients), directly or indirectly, in exchange for referring or recommending or arranging for the purchase, lease or ordering of business covered under a government health care program, such as Medicaid. The anti-kickback laws must be considered whenever something of value is given to or received by an employee or contractor of The Smile Way Group that are in any way connected to patient services. This is particularly true when the arrangement could result in over-utilization of services or a reduction in patient choice. Even if only one purpose of a payment is to influence referrals or recommendations regarding the purchase of health care items or services, the payment may be unlawful.

When a federal or state kickback law applies, arrangements for professional services, management services, consulting, or other services, may need to be in writing, have at least a one-year term, and specify aggregate annual compensation in advance. Any discounted purchase arrangements need to be structured appropriately to comply with applicable kickback laws. The Chief Compliance Officer should review any such arrangements, or others that may implicate a federal or state kickback law, in advance. The Chief Compliance Officer also must review joint ventures or other arrangements with dentists or other health care providers, or investments in other health care entities.

Violators of state anti-kickback law may be fined and/or imprisoned and/or subject to exclusion from participation in federal health care programs. Many states have a similar law that applies these same prohibitions to all patients, regardless of the health care payer.

### Stark Law

In general terms, the federal physician self-referral (“Stark”) law prohibits a dentist from making a referral to an entity for certain specified “designated health services” that are paid for by Medicare or Medicaid when the dentist, or their immediate family member, has a “financial relationship” (that is, an ownership interest, an investment interest or a compensation relationship) with that entity, unless an exception to the law is squarely met. If the referral is prohibited, so too is the submission of a claim for payment by the entity that receives the prohibited referral. The penalties for violating the Stark law include: (i) the denial of, or the requirement to refund, any payments for services that resulted from an unlawful referral; (ii) civil monetary penalties for each service for which a person presents or causes to be presented a bill or claim that they know or should know results from a prohibited referral, or for which a required refund has not been made plus assessment of up to three times the amount claimed in lieu of damages; and (iii) exclusion from participation in the Medicare and Medicaid programs as well as other federal and/or state health care programs.

### Entertainment and Gifts

Generally, administrative personnel of the organization may not give to dentists, and dentists affiliated with the organization may not accept from referral sources, gifts, meals, or entertainment that would tend to influence clinical judgment or that create a perception of obligation by the gift recipient to the giver. There are, however, limited circumstances, such as a modestly priced shared meal or other

similar expenses in conjunction with a legitimate educational activity, where it is appropriate for an administrative employee to provide or a dentist to accept a meal as a proper business expense and activity. Such activities should be discussed, reviewed, and approved by the Chief Compliance Officer in advance of the event in accordance with established policies and procedures.

Modest expenses for meals should be ancillary to and supportive of the primary educational function of a meeting, in a setting appropriate to such education, and should not be principally for entertainment purposes. Expenses for entertainment, or expenses that are not modest in amount, however, only rarely will be consistent with policy and should be reviewed and approved in advance by the Chief Compliance Officer.

Employees may not receive any gift under circumstances that could be construed as an improper attempt to influence decisions or actions. When an employee receives a gift that violates this policy, the gift should be returned to the donor and reported to the Chief Compliance Officer. Employees may receive gifts when they are of such limited value that they could not reasonably be perceived by anyone as an attempt to affect the judgment of the recipient. For example, token promotional gratuities from suppliers of de minimus value, such as advertising novelties marked with the donor's name, are not prohibited under this policy.

Whenever an employee is not sure whether a gift is prohibited by this policy, the gift must be reported to the Chief Compliance Officer upon its receipt.

### **Patient Gifts and Incentives**

Under federal law, The Smile Way Group and its personnel, professionals, and agents may be subject to civil monetary penalties for offering or providing any payment, gift, or incentive to any person covered under a state or federal health care program that they know is likely to influence the person to receive services from a particular provider of services. This law applies to the provision of free or discounted goods and services (including waiver of copayments) advertised, directly or indirectly (e.g., word of mouth) before the person selects a provider of services. There are a number of exceptions to this statute, including waivers of copayments based on financial need, certain preventive care services, and inexpensive gifts with a retail value of no more than \$10 individually or \$50 in the aggregate annually. Additionally, personnel, professionals, and agents of The Smile Way Group are also subject to comply with any applicable state anti-referral law.

The Smile Way Group will not engage in any relationship or arrangement that violates federal or state anti-referral laws. Personnel must seek approval from the Chief Compliance Officer before providing gifts or benefits to any potential or current patients of The Smile Way Group.

### **Corporate Practice of Dentistry**

The contractual arrangements between SAP and the DPPs allows the DPPs to devote their time to providing quality care to patients, whether in a mobile or fixed setting, while SAP handles various day-to-day business functions, including:

- Providing technology software and licensing
- Working with schools and scheduling school visits



- Arranging for dental supplies and equipment
- Maintaining necessary licenses and permits
- Assisting in recruiting, interviewing and performing background checks for dentists, hygienists, and dental assistants
- Keeping the books and records and preparing financial statements
- Budgeting
- Preparing tax returns
- Submitting claims for services provided to patients and managing collection efforts
- Maintaining a 24-hour answering service for patients' dental issues

The services SAP provides to the DPPs relate to administrative functions, varies according to state laws where DPP is located, and do not include any authority or control over health care aspects that constitute the practice of dentistry including diagnosis, treatment and ethical determinations with respect to patients that are required by law to be decided by a licensed professional. Consistent with state laws that prohibit the corporate practice of dentistry, SAP personnel are prohibited from directing, controlling, influencing, restricting or interfering with a dentist, hygienist, or dental assistant's exercise of independent clinical or professional judgment in providing health care or dentistry-related services.

## MARKETING PRACTICES AND ACTIVITIES

We operate in a highly competitive environment. Our competitive activities must conform to the high standards of integrity and fairness reflected in this Code of Conduct. As such, we require compliance with antitrust and other laws governing competitive activities, and with written policies governing interactions with competitors, customers and suppliers.

### Market Competition

The Smile Way Group is committed to complying with all federal and state antitrust laws. The purpose of the antitrust laws is to preserve the competitive free enterprise system. The antitrust laws in the United States are founded on the belief that the public interest is best served by vigorous competition, free from collusive agreements among competitors on price or service terms. The antitrust laws help preserve the country's economic, political, and social institutions. They apply fully to health care services, and we are firmly committed to the philosophy underlying those laws.

While the antitrust laws clearly prohibit most agreements to fix prices, divide markets, and boycott competitors, they also proscribe conduct that is found to restrain competition unreasonably. This can include, depending on the facts and circumstances involved, certain attempts to tie or bundle services together, certain exclusionary activities, and certain agreements that have the effect of harming a competitor or unlawfully raising prices.

The Smile Way Group and its personnel will not engage in unfair competition or deceptive trade practices, including misrepresentation of the organization's operations. Personnel will not make false or disparaging statements about competitors or attempt to coerce suppliers or providers. Any questions that may arise should be addressed to the Chief Compliance Officer.

### What should you do

**if you are offered a gift that you know is inappropriate?**

**Politely refuse it and explain that company policy prohibits you from accepting it. Providing or accepting gifts and entertainment may in some cases be a conflict of interest, and in certain situations a violation of the law.**



## Marketing and Advertising

Consistent with laws and regulations that may govern such activities, we may use marketing and advertising activities to educate the public, provide information to the community, increase awareness of our services, and to recruit colleagues. We strive to present only truthful, fully informative, and non-deceptive information in these materials and announcements.

All marketing materials must be reviewed and approved by the Chief Compliance Officer before they are disseminated.

## COMPLIANCE PROGRAM

### Program Structure

The Compliance Program is intended to demonstrate in the clearest possible terms the absolute commitment of The Smile Way Group to the highest standards of ethics and compliance. The elements of the program include setting standards (the Code and Policies and Procedures), communicating the standards, providing a mechanism for reporting potential exceptions, monitoring and auditing, and maintaining an organizational structure that supports the furtherance of the program. Each of these elements is detailed below.

These elements are supported at all levels of the organization. Providing direction, guidance and oversight are the Board of Directors and the Corporate Compliance Committee. The Chief Compliance Officer and Corporate Compliance Committee are responsible for the day-to-day direction and implementation of the Program. Additionally, numerous executive and management individuals within the organization have expertise and are prepared to support colleagues of The Smile Way Group in meeting the standards set forth in this Code.

### Setting Standards

With respect to our Compliance Program, we set standards through this Code of Conduct, ethics and compliance policies and procedures and, occasionally, through other guidance mechanisms, such as advisory memoranda. It is the responsibility of each individual to be aware of those policies and procedures that pertain to their work and to follow those policies and procedures.

### Training and Communication

Comprehensive training and education has been developed to ensure that colleagues throughout the organization are aware of the standards that apply to them. Compliance/Code of Conduct training is conducted at the time an individual joins the organization and annually for all colleagues. Additional compliance training in areas of compliance risk (e.g., billing, coding, cost reports) is required of certain individuals.

All ethics and compliance training is required to be tracked and recorded by the Compliance Department. Resources regarding our compliance program, including the Code of Conduct, are available to all personnel on the SAP website at [www.smileamericapartners.com/compliance](http://www.smileamericapartners.com/compliance). We encourage all colleagues to frequently review the resources available to them.



## Resources for Guidance and Reporting Concerns

To obtain guidance on an ethics or compliance issue or to report a concern, individuals may choose from several options. We encourage the resolution of issues at a local level with one's supervisor. If this is uncomfortable or inappropriate, the individual may discuss the situation with another member of management, the Chief Compliance Officer, or any member of the Compliance Department. Individuals are always welcome to contact the Compliance Helpline at 1.800.447.9207 or email [complianceofficer@mobiledentists.com](mailto:complianceofficer@mobiledentists.com). We make every effort to maintain, within the limits of the law, the confidentiality of

the identity of any individual who reports concerns or possible misconduct. There is no retribution or discipline for anyone who reports a concern in good faith. Any colleague who deliberately makes a false accusation with the purpose of harming or retaliating against another colleague is subject to discipline.



## Personal Obligation to Report

We are 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. Each colleague has an individual responsibility for reporting any activity by any colleague, subcontractor, vendor or affiliated colleague that appears to violate applicable laws, rules, regulations, standards of dental practice, federal health care conditions of participation, or this Code.

Illegal acts or improper conduct may subject The Smile Way Group to severe civil and criminal penalties, including large fines and being barred from certain types of business. Therefore, knowledge of any illegal activity or violations of the Code must be brought to the attention of one of the following persons promptly:

1. Chief Compliance Officer
2. Appropriate DPP owner, business unit or department head, or any other senior manager

It is a violation of this Code for personnel not to report a suspected violation of the Code or any suspected illegal activity. If you have a question about whether particular acts or conduct may be illegal or violate the Code, you should contact the Chief Compliance Officer or your supervisor. In other words, all are required to bring any suspected illegal act or violation of the Code to the attention of those responsible for investigating such reports. If the suspected illegal acts or conduct in violation of the Code involve a person to whom such illegal acts or violations might otherwise be reported, the suspected illegal acts or violation should be reported to another appropriate person.

If requested, employees are required to sign annual certifications stating that they are not aware of any compliance issues, or that they have reported any such issues to the Chief Compliance Officer. As part of this certification, employees are required to state that they are not aware of any unreported compliance issues, including but not limited to, overpayments, false bills or kickbacks. Failing to sign or providing false information on the annual certification form may result in disciplinary action (including termination of employment).

Upon termination of employment, terminated employees may be required to sign an exit interview certification stating that they are not aware of any compliance issues that have not been reported.

Personnel may report suspected illegal acts or violations of this Code anonymously. To the extent permitted by law, The Smile Way Group will take reasonable precautions to maintain the confidentiality of those individuals who report suspected illegal activity or violations of this Code and of those individuals involved in the alleged improper activity, whether or not it turns out that improper acts occurred. Failure to abide by this confidentiality obligation is a violation of this Code.

No reprisals, or other disciplinary action inconsistent with law, will be taken or permitted against personnel for good faith reporting of, or cooperating in the investigation of, suspected illegal acts or violations of this Code. It is a violation of this Code for personnel to punish or conduct reprisals with respect to personnel who have made a good faith report of, or cooperated in good faith in the investigation of, suspected illegal acts or violations of this Code.

## Internal Investigations and Reports

We are committed to investigating all reported concerns, illegal activity, or violations of this code promptly and confidentially to the extent possible. The Chief Compliance Officer coordinates any findings from corporate-led investigations and immediately recommends corrective action or changes that need to be made. We expect all colleagues to cooperate with investigation efforts.

Personnel must cooperate with these investigations. It is a violation of this Code for personnel to prevent, hinder or delay discovery and investigation of illegal acts or violations of this Code.

## Corrective Action

Where an internal investigation substantiates a reported violation, it is the policy of The Smile Way Group to initiate corrective action, including, as appropriate, making prompt restitution of any overpayment amounts, notifying the appropriate governmental agency, instituting whatever disciplinary action is necessary, and implementing systemic changes to prevent a similar violation from recurring in the future.

## Discipline

Personnel who violate the Code or commit illegal acts are subject to disciplinary action. The discipline utilized will depend on the nature, severity, and frequency of the violation and may result in any or all of the following disciplinary actions:

- Counseling and verbal warning
- Written warning
- Suspension and final written warning
- Termination; and/or
- Restitution

### What should you do

**if you suspect—but are not sure—that someone has violated our Code?**

**Share your concern with a member of management or other resource identified in the Code. Even if you're not sure misconduct has occurred, speaking up is the right thing to do. In fact, our Code requires it. A violation left unreported can harm our reputation and put us at risk.**



Personnel who report their own illegal acts or improper conduct, however, will have such self-reporting taken into account in determining appropriate disciplinary action. The Smile Way Group will not retaliate against personnel or professionals who raise good faith concerns regarding potential non-compliance with applicable laws or this policy.

### **Program Effectiveness**

We are committed to assessing the effectiveness of our Compliance Program through various efforts. Much of this effort is through self-monitoring and internal audits of issues that have regulatory or compliance implications. As such, we are continuously assessing the effectiveness of the Program and finding ways to improve it.

### **Acknowledgment Process**

The Smile Way Group requires all colleagues to acknowledge their review of the Code, confirm they understand it represents mandatory policies of the organization, and agree to abide by it. New colleagues are required to do so as a condition of employment. Each colleague is also required to participate in annual Compliance and/or Code of Conduct training and records of such training are retained.

*Strict compliance with this Code of Conduct and other policies of The Smile Way Group will help us prevent, detect, and correct potential violations, consistent with our corporate mission. We appreciate your continued dedication to acting with the highest ethical standards and in compliance with applicable laws.*

• **LIST OF DENTAL PROFESSIONAL PRACTICES (DPPs)** •

- Arizona Mobile Dental, PC dba Big Smiles
- Elliot Paul Schlang, DDS, Professional Corporation dba Big Smiles
- Shurett Dental Group, P.C. dba Shurett Dental Group
- Mark Shurett, DDS, PC dba Help A Child Smile
- Elliot P. Schlang, D.D.S. P.C. dba Smile Illinois
- Elliot P. Schlang DDS, Dental Outreach PLLC dba Indiana Dental Outreach
- Nevin K. Waters D.D.S., PA dba Big Smiles
- Big Smiles Kentucky PSC dba Big Smiles
- Elliot P. Schlang DDS Big Smiles Massachusetts P.C. dba Smile Massachusetts
- S.K. Pesis D.D.S., Big Smiles Maryland, PC dba Smile Maryland
- Michigan Dental Outreach, P.C. dba Michigan Dental Outreach
- Nevin K. Waters D.D.S., P.C. dba Big Smiles
- Theodore F. Mayer, DDS P.A. dba Smile North Carolina
- Big Smiles Dental New York, PLLC
- Smile New York Outreach, LLC
- Elliot P. Schlang DDS, Dental Outreach PLLC dba Ohio Dental Outreach
- Big Smiles Pennsylvania P.C. dba Smile Pennsylvania
- Big Smiles Utah, P.C. dba Big Smiles
- Big Smiles Virginia PC dba Smile Virginia
- Michael LaCorte Dentistry, PC dba Big Smiles
- Elliot P. Schlang, DDS, Inc. dba Smile West Virginia