

Critical Homecare Solutions, Inc.

Code of Conduct

PURPOSE

The purpose of this brochure is to provide standards by which employees of Critical Homecare Solutions, Inc. will conduct themselves to protect and promote company-wide integrity and to enhance Critical Homecare Solutions, Inc's (CHS) ability to achieve the organization's mission.

CHS's mission is to provide high quality, cost effective, safe and medically necessary infusion and nursing services to our patients in a timely manner and with respect for the patients involved. We are dedicated to the highest standards of excellence, and this Code of Conduct demonstrates our commitment to conducting business in a fair, ethical and legal manner. Accordingly, all employees are responsible for ensuring they thoroughly understand and follow the standards outlined in the accompanying guide. Employees will be required to sign and return the last page of this document attesting that the employee has read and understood the content of the Code of Conduct. This signed attestation will be kept in the employee's personnel file.

Rules of Conduct

GENERAL RULES

CHS is committed to providing the highest quality service and products to our patients. This Code of Conduct provides broad-based standards and principles for employees; however, it cannot define specific guidelines for every activity of employees. Policies and procedures have been developed that provide detailed day-to-day guidance.

RESPONSIBILITY OF THE EMPLOYEE

Each employee of CHS is responsible for reading and understanding the Code of Conduct and conducting themselves according to the principles and standards outlined in it. In addition, employees must use their judgment to guide their actions, as well as consult the sources of help listed below if they encounter questionable situations or ones on which they require additional guidance. Employees, at all times, must avoid even the appearance of illegal, fraudulent, or inappropriate behavior.

SOURCES OF HELP

The Code of Conduct is a general outline defining broad based principles and standards of behavior for CHS employees. Guidelines for day-to-day activities can be found in

specific Policy and Procedure Manuals. However, questions that arise concerning activities not defined in the Code or the Manuals should be directed to the employee's supervisor. If this is not possible or would represent a conflict, the employee should contact one of the following:

Corporate Compliance Officer	Joey Ryan
Chief Financial Officer	Mary Jane Graves
President and CEO	Bob Cucuel

These individuals can be reached via the Toll Free Corporate Number or the specific extension assigned as the Fraud and Abuse number where a message can be left.

CHS Toll Free Number	1-866-666-7390 or 877-247-5566
Fraud and Abuse Number	1-866-666-7390 x 1320

INTRODUCTION

The Code of Conduct contains fundamental principles and corresponding standards of conduct. The principles articulate the policy of the company, while the standards provide guidance to employees when conducting business on behalf of Critical Homecare Solutions, Inc. Employees with questions about their legal responsibilities are encouraged to contact their supervisor, manager or the Corporate Compliance Officer.

PRINCIPLES AND STANDARDS

1. **LEGAL COMPLIANCE:** Employees must comply with all Federal, State and local laws and regulations.

Employees are required to comply with all applicable laws--Federal, State and local--and regulations pertaining to their job duties, whether or not specifically addressed in these policies. As a provider of health care-related products and services, Critical Homecare Solutions, Inc. is subject to a multitude of laws, including fraud and abuse, antitrust and anti-discrimination laws. Besides the information provided here, employees will receive training on how specific laws affect their job duties. Employees are expected to understand the laws and regulations that pertain to their job duties and to be in compliance with these laws, regulations and rules at all times and with every transaction. Furthermore, all employees should seek the advice of the Corporate Compliance Officer when confronted with business decisions that involve a risk of violating any applicable laws or regulations.

Fraud and Abuse Laws

Fraud and abuse laws, in general, pertain to physician referrals, false claims and anti-kickback laws. More specifically, Critical Homecare Solutions, Inc. employees are directly and affirmatively prohibited from engaging in the following conduct: 1) making direct or indirect payments or any remuneration to another person in exchange for the referral of patients; 2) submitting false, fraudulent or misleading claims to any government entity or third party payor, including claims for services not provided, claims which characterize the service differently than the service actually provided or claims that do not otherwise comply with applicable program or contractual requirements; and 3) making false representations to any person or entity in order to gain or retain participation in a program or to obtain payment for any service.

Fraud as defined by the U. S. Department of Health and Human Services is “intentional deception or misrepresentation that the individual makes, knowing it to be false and that could result in some unauthorized benefit to them.”

Instances of fraud include, but are not limited to: billing for services not provided, upcoding, falsification of medical necessity documentation, and misrepresentations on claims.

Abuse “describes incidents or practices of providers, physicians, or suppliers of services which although not usually fraudulent, are inconsistent with accepted sound medical, business or fiscal practices. These practices may, directly or indirectly, result in unnecessary costs to the program or payment for services which fail to meet professionally recognized standards of care, or which are medically unnecessary.”

It is important to recognize and correct or report problem behavior rather than attempting to differentiate between whether an activity is fraudulent rather than abusive.

Fraud and Abuse laws currently apply to both Medicare and Medicaid programs and may at some future point in time apply to private payors also. Some federal fraud and abuse laws also apply to other federal programs such as CHAMPUS, Indian health programs, and maternal and child health programs.

Because Medicare fraud and abuse have become highly focused areas of investigation by the Office of the Inspector General (OIG), it is critically important that employees understand their responsibility. Not only is each employee expected to avoid actual or perceived improper or unlawful actions but s/he must also report any observed or known non-compliance by another employee. Even failure to report such activity could result in disciplinary action against the non-reporting employee.

Allegations of Medicare or Medicaid fraud or abuse should be reported immediately to the Corporate Compliance Officer via the Toll Free number set up exclusively for this.

Toll Free Number	1-866-666-7390 x1320 or 877-247-5566
Corporate Number	1-610-825-2061 x1320

Calls received at this number have an automated message that will ask for the following information:

- The employee's name
- The company and location the employee is calling from
- Description of the fraud and abuse activity being reported

The employee will receive a call back within 48 hours from the Corporate Compliance Officer to review the information and to determine the next steps. The employee's identity will be kept as confidential as possible. (For instance, if a law requires full disclosure of how a compliance problem was discovered, the employee's identity would have to be disclosed.) The information provided will be thoroughly investigated by the Corporate Compliance Officer and the employee will be contacted regarding the outcome.

Questions concerning fraud or abuse should be directed to the employee's immediate supervisor, the company manager responsible for the location, or the Corporate Compliance Officer.

Antitrust Laws

Antitrust laws regulate competition and prohibit the following conduct that reduces or negatively impacts competition: 1) unfair trade practices such as bribery, misappropriation of trade secrets, deception, intimidation, and other unfair practices; 2) collusion (including price sharing), agreements to fix prices and bid rigging with competitors; and 3) price discrimination agreements, boycotts and certain exclusive dealings. Employees are not to engage in any activity that could be considered a violation of anti-trust law and they should also report any activity that they believe to be a potential violation of the law.

Harassment and Discrimination Laws

Critical Homecare Solutions, Inc. firmly believes that treating employees, patients and others fairly and equitably helps fulfill its vision and goals.

In keeping with the spirit and the intent of Federal, State and local laws, it is the policy of Critical Homecare Solutions, Inc. to promote a productive work environment and not to tolerate verbal or physical conduct by any employee that harasses, discriminates, disrupts, or interferes with another's work performance or that creates an intimidating, offensive, or hostile environment. This policy will be extended to vendors, customers or others who enter the Company's offices.

Employees are expected to maintain a productive work environment that is free from harassing, discriminating, or disruptive activity. No form of harassment or discrimination will be tolerated, including harassment or discrimination for the following reasons: race, national origin, religion, disability, pregnancy, age, military status, sex, sexual orientation

or any other protected status. Any conduct directed at individuals because of the previously mentioned reasons, or any other offensive conduct, is prohibited.

Furthermore, it is the policy of the Company that there will be no discrimination based on race, color, national origin, religion, disability, pregnancy, age, military status, sex, sexual orientation or any other protected status with respect to recruitment, hiring, training, promotion, and other terms and conditions of employment. All employment decisions will be consistent with the principles of nondiscrimination and equal employment opportunity.

Employees who feel they are being harassed or discriminated against should immediately report it, in confidence, to their supervisor so that a prompt investigation can be conducted. If the supervisor is the offending party or reporting the matter to him/her would be uncomfortable, the harassment or discrimination should immediately be reported to the local Human Resources Manager or the Vice President of Human Resources.

All allegations of harassment or discrimination will be promptly investigated with as much confidentiality as possible. All employees participating in the investigation will be protected against any form of retaliation. Appropriate and effective corrective action, as warranted, will be taken promptly upon the conclusion of the investigation.

Any employee engaging in harassment or discrimination in violation of this policy will be subject to disciplinary action, up to and including termination.

II. CONFLICTS OF INTEREST: Employees shall regulate their behavior to avoid actual and perceived conflicts of interest or impropriety.

Employees owe a duty of loyalty to Critical Homecare Solutions, Inc. and may not use their association with the Company to profit personally or to assist others in profiting in any way at the expense of Critical Homecare Solutions, Inc. A conflict of interest arises when there is a conflict between one's personal stake in a matter and his or her fiduciary responsibility to the Company caused by a financial interest, position, activity or other relationship with another party or concern. No employee may engage in any conduct that conflicts, or is perceived to conflict, with the best interests of Critical Homecare Solutions, Inc. This means that all employees must actively avoid conduct involving their personal or outside interests that may interfere or conflict with the best interests of the company and/or the employee's duties or that appears to compromise the employee's independent judgment.

Personal Interests and Improper Influence

All agreements or arrangements that Critical Homecare Solutions, Inc. enters into with another health care entity to provide services must be free of any improper influence. To ensure that Critical Homecare Solutions, Inc.'s business relationships are free from improper influences, employees must disclose all possible conflicts of interest by

completing a Conflict of Interest Form if either one of the following two situations occur: 1) the employee or any family member of the employee is an employee, consultant, owner, contractor, or investor (including passive) of an entity that engages in any business or maintains any relationship with Critical Homecare Solutions, Inc. (including any patient referrals), or competes in any manner with the Company; or 2) the employee or any family member of the employee intends to become an employee, consultant, owner, contractor, or investor (including passive) of an entity engaging in such activities.

Gifts and Other Improper Inducements

All activities must be transacted free from offers of solicitation of gifts and favors and other improper inducements in exchange for influence or assistance in a transaction. Accordingly, employees are prohibited from accepting, soliciting or offering anything of value, which includes gifts and gratuities that are more than nominal in nature, to or from anyone doing business with Critical Homecare Solutions, Inc. including any patient, referring physician, vendor, contractor, or third party.

Employees are required to immediately report to the Corporate Compliance Officer, anyone doing business with the Company who seeks to provide the employee with any inducement, has offered anything of value because of the employee's role in the Company, or has solicited or requested, even indirectly, compensation for referrals of business.

III. BUSINESS ETHICS AND INTEGRITY: Employees shall conduct business dealings fairly and honestly and shall safeguard confidential information.

Critical Homecare Solutions, Inc. is dedicated to upholding the highest business ethics and integrity, and employees are required to conduct themselves in a professional manner at all times. No employee shall make false or misleading statements to any patient, person or entity doing business with Critical Homecare Solutions, Inc. about 1) other patients, persons or entities doing business with Critical Homecare Solutions, Inc. 2) other patients, persons or entities competing with Critical Homecare Solutions, Inc. or 3) the products or services of Critical Homecare Solutions, Inc. or its competitors. Employees will not engage in any activity which improperly pays, coerces or induces anyone to provide, receive or order any service or item from Critical Homecare Solutions, Inc. Any such payment, coercion or inducement is illegal and may subject the employee to immediate dismissal.

In accordance with applicable legal and ethical standards and Critical Homecare Solutions, Inc.'s policies, employees also have an obligation to actively protect and safeguard the confidentiality of patient information, as well as sensitive proprietary information (such as Critical Homecare Solutions, Inc.'s competitive position or business strategies, payment and reimbursement information, information related to negotiations with employees or third parties, or intellectual property rights). Furthermore, employees are required to conduct themselves in a manner designed to prevent the unauthorized disclosure of confidential information.

IV. RECORD KEEPING: Employees shall maintain accurate and complete records and/or claims.

Employees are required to maintain accurate and complete records and/or claims. As a general rule, employees shall 1) create only those documents required by law and/or CHS policy necessary to do business; 2) distribute documents to the smallest possible audience (e.g. using a “need to know” basis), with adequate security and retrieval safeguards; 3) discard at the earliest date permitted by law, business necessity and applicable policies and procedures; 4) refrain from copying, distributing or possessing any company documents not required for the proper performance of their duties; 5) record all equipment, supplies and/or services provided to a patient or client; 6) clearly record all communications with third parties, such as doctors, nurses and any information regarding billing; 7) ensure that claims to any payor, including Medicare, Medicaid, third-party payors, or patients correctly reflect the equipment, supplies or services actually received.

Employees must notify the Corporate Compliance Officer immediately if they know or believe that any record or claim contains false or misleading information.

REPORTING OBLIGATIONS: Employees are required to make “good faith” reports of any violations of laws, regulations or company procedures.

Employees are required to report to the Corporate Compliance Officer any violations of the applicable laws, regulations and the preceding principles and standards that the employee knows or believes another employee, individual or entity associated with Critical Homecare Solutions, Inc. (including any vendor, ordering physician, independent contractor, etc.) has committed, is committing or may commit.

Critical Homecare Solutions, Inc. understands that employees cannot always be sure of the legality of a particular activity, and the Company wants to encourage good faith reporting. At the request of the employee, Critical Homecare Solutions, Inc. will provide such anonymity to the employee making the report as is possible under the circumstances and according to the judgment of Critical Homecare Solutions, Inc. Any such reporting will not result in retaliation in the terms and conditions of the employee’s employment.

Accusations of illegal conduct are serious and should not be made frivolously. Critical Homecare Solutions, Inc. will not tolerate employees abusing its reporting system or using it for personal motivations.

To report violations of the compliance program or applicable laws, employees should contact orally or in writing their manager, supervisor or the Corporate Compliance Officer. Additionally, a toll-free number has been set up for reporting purposes by employees. Reports made to managers and supervisors will be referred as soon as possible to the Corporate Compliance Officer. The Corporate Compliance Officer will document and investigate alleged violations immediately.

COMPLIANCE AS AN ELEMENT OF PERFORMANCE

Compliance with the Code of Conduct will be an element in evaluating the performance of all employees. All managers, supervisors and employees will receive initial training of Critical Homecare Solutions, Inc.'s compliance policies and procedures. Subsequent training will be provided as new policies and procedures are developed and implemented.

Employees will be required to sign a statement that will be filed in their personnel record, assuring they have read and understood all Company policies and procedures.

In addition to the initial training, all managers and supervisors are required to discuss with their employees: 1) applicable compliance policies and legal requirements; 2) that compliance with these policies and procedures is a condition of employment; and 3) that violation of these policies and procedures could result in disciplinary action, up to and including termination.

For managers and supervisors, the promotion and adherence to the Code of Conduct will be an element in evaluating their performance. In addition, a manager's or supervisor's failure to adequately instruct his/her subordinates or to detect violations of the compliance policies and applicable legal requirements may result in disciplinary action, if reasonable diligence by the manager or supervisor could have led to the discovery of such violations.

PENALTIES

Critical Homecare Solutions, Inc. expects all of its employees to abide by the principles and standards set forth in the Code of Conduct and to conduct Critical Homecare Solutions, Inc.'s business and affairs in a manner consistent with these principles and standards. Violations of the Code of Conduct threaten Critical Homecare Solutions, Inc.'s reputation as a reliable, honest and trustworthy provider and will not be tolerated.

Actionable Conduct

Critical Homecare Solutions, Inc. will discipline any employee who engages in the following conduct: 1) failure to comply with the Code of Conduct and/or other compliance policies; 2) violation of Federal, State or other laws or regulations; and 3) any other conduct that impairs Critical Homecare Solutions, Inc.'s reputation as a reliable, honest and trustworthy company. In addition, corporate officers, managers and supervisors are subject to sanctions for 1) failure to adequately instruct their subordinates of the compliance policies and applicable legal requirements, or 2) failure to exercise reasonable diligence in detecting violations of the compliance policies and applicable legal requirements.

Reporting and Investigatory Procedures

Employees should contact their manager, supervisor or the Corporate Compliance Officer orally or in writing to report violations of the Code of Conduct or applicable laws. Managers and supervisors will immediately refer reports that have been directed to them to the Corporate Compliance Officer.

The Corporate Compliance Officer will document and investigate all allegations of wrongdoing or misconduct promptly, by conducting interviews, reviewing relevant documents and weighing the relevant facts and circumstances. Factors to be considered during an investigation include, but are not limited to, the extent to which the behavior was contrary to the express language or general intent of the Code of Conduct, the egregiousness of the behavior, the employee's work history, and other relevant information.

Sanctions

If the Corporate Compliance Officer's investigation reveals that misconduct or wrongdoing has occurred, Critical Homecare Solutions, Inc. at its discretion will immediately begin disciplinary actions. Disciplinary actions may include oral warnings, written censure, suspension, or termination. These actions will correspond to the seriousness of the offense, as determined by the Corporate Compliance Officer and Critical Homecare Solutions, Inc.

All violations of the Code of Conduct, compliance policies, and Federal, State and applicable local laws and regulations will be disciplined in a manner deemed appropriate by the Corporate Compliance Officer and Critical Homecare Solutions, Inc., with the goal to prevent future misconduct or wrongdoing. Disciplinary actions will be applied in a consistent manner and the type of sanction imposed will not vary according to the level of seniority or rank of the employee who committed the offense. Accordingly, corporate officers, managers and supervisors will be held accountable for non-compliance to the same degree and on the same basis as their subordinates.

CONCLUSION

Critical Homecare Solutions, Inc. continually works to ensure that all activities by it or on its behalf comply with applicable laws and appropriate ethical standards. This Code of Conduct is intended to provide guidance to employees in meeting their obligations to comply with the Code. These principles and standards are neither exclusive nor complete; employees are required to comply with all applicable laws, whether or not specifically addressed in this document.

Employees are encouraged to contact the Corporate Vice President of Human Resources or the Corporate Compliance Officer if they have any questions about their legal responsibilities.

