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Owner **Cyndi Buck:**
Director of Med
Records

Area **Compliance**

References **Hospital-Wide
Administrative**

Conflicts of Interest

I. OVERVIEW

Guidelines for recognizing and handling potential or actual conflicts of interest.

II. PURPOSE

To provide guidelines for the identification and handling of actual or potential conflicts of interest. This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to not-for-profit and charitable organizations in general and not-for-profit hospitals and health care systems in particular.

III. DEFINITIONS

"Agents" means all persons and entities that have contracted with AGH to provide health care related services, equipment or other goods or services.

"Board Members" means members of the Governing Board of AGH.

"Board Legal, Regulatory & Compliance Subcommittee" includes Governing Board Members who have been assigned by the Board Chairman to serve.

"Colleagues" means all AGH employees and temporary, per diem personnel, students, and others rendering paid or unpaid services to AGH, including, but not limited to, Agents, Board Members, Medical Staff, and Officers.

"Conflict of Interest" means a situation in which financial, professional, or personal interests, including the interest of Immediate Family Members, may compromise one's professional judgment or other obligations to AGH.

"Covered Person" means Board Members, Medical Staff, Nurse Practitioners, Physician Assistants, Officers, and all employees at the manager level or above.

"Disqualified Person" means any person who is in a position to exercise substantial influence over the affairs of AGH (including Board Members, Officers, and others in positions of comparable authority), as well as Immediate Family Members of any such individuals.

"Entity" means any for-profit or not-for-profit organization, including, but not limited to, any corporation, trust, foundation, association, company, sole proprietorship, partnership, firm, venture, vendor, or other form of organization.

"Equity" means any investment having a value greater than ten thousand dollars (\$10,000.00) or having an unknown value (such as stock options).

"Form" means the Conflicts of Interest and Code of Conduct Annual Acknowledgement and Disclosure Form (see Attachment A.)

"Immediate Family Member" means a spouse/domestic partner, parent, child, sibling, stepparent, stepchild, stepbrother, stepsister, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, grandparent or grandchild, aunts, uncles, nephews, nieces, and spouse of a grandparent or grandchild.

"Medical Staff" means full-time and part-time members of the Medical Staff, including physicians, physician assistants, and nurse practitioners,

"Officers" includes the Board Chair, Chief Executive Officer, Chief Financial Officer, Chief Nursing Officer, Chief Clinical Officer, all assistant Officers, and Chief Legal Counsel.

"Significant Financial Interest" means anything of monetary value, including, but not limited to, salary or other payments for services (e.g., consultation fees or honoraria); equity interests (e.g., stocks, stock options or other ownership interests); and intellectual property rights (e.g., patents, copyrights and royalties from such rights). Significant Financial Interest does not include:

- Salary, royalties, or other remuneration from AGH;
- Income from seminars, lectures, or teaching engagements sponsored by, or from service on advisory committees or review panels for, public or nonprofit entities;
- An equity interest that when aggregated for Colleague and the Colleague's spouse and dependent children, does not exceed \$5,000 in value and does not represent more than a 5% ownership interest in any single entity; or
- Salary, royalties or other payments that when aggregated for the Colleague and the Colleague's spouse and dependent children are not expected to exceed \$5,000 over the next twelve months.

IV. INDIVIDUAL CONFLICTS OF INTEREST

All Colleagues are subject to this Conflict of Interest Policy and are required to be familiar with its content.

- A. **Regular Disclosures.** All Colleagues must disclose potential Conflicts of Interest, as follows:
1. All Officers, Medical Staff, and manager level and above employees are required to disclose potential Conflicts of Interest by Completing a Conflict of Interest Disclosure Form ("Form"), upon hire or appointment and then annually.
 2. Board Members and Agents must complete and submit Forms to the Corporate Compliance Officer upon hire or appointment, and then annually.
 3. Employees who are below the manager level should disclose potential Conflicts of Interest to their immediate supervisors and must submit a Form upon Request.
- B. **Disclosing New Conflicts of Interest.** If during the year, any new potential Conflicts of Interest arise, Colleagues must report the potential Conflicts of Interest immediately (and prior to undertaking any activity that may raise a potential Conflict of Interest) as outlined above in IV.A.
- C. **Confidentiality.** Disclosure of information will be confidentially maintained. It may be shared in a confidential manner with the person to whom the Colleague directly reports, the Chief Legal Counsel, the Corporate Compliance Office, the Board Legal, Regulatory & Compliance Subcommittee, and the Governing Board.
- D. **Review of Individual Disclosure Forms and Resolution of Conflicts.** Forms will be reviewed and conflicts resolved in the following manner:
1. **For Board Members and the Chief Executive Officer.** The Compliance Officer will review the Form and make a recommendation to the Board Legal, Regulatory & Compliance Subcommittee. The Subcommittee will review the Form and make a decision about any needed plan for curing or managing any disclosed conflict.
 2. **For All Other Colleagues.** The Compliance Officer will review the Forms for Conflicts of Interest and may discuss with the Colleague any needed action to cure or manage the conflict.
 3. **Review Factors.** The Compliance Officer and the Board Legal, Regulatory & Compliance Subcommittee shall consider the following factors when reviewing completed Forms:
 - Whether the Colleague or an Immediate Family Member is a party to, or may directly or indirectly benefit from, a proposed agreement or transaction involving AGH;
 - Whether the Colleague's desire for, or expectation of, direct or indirect external economic advantage could distort an AGH decision or activity;
 - Whether the Colleague or an Immediately Family Member is engaging in an activity, business or transaction in which AGH is likely to engage;
 - Whether the Colleague's outside activities may conflict with rights of, or the Colleague's obligations to, AGH or AGH's patients;
 - Whether the Conflict of Interest can be cured or managed by recusal or other appropriate action; and
 - Whether there is an appearance of a Conflict of Interest.
 4. **Determination and Course of Action.** If the Board Legal, Regulatory, & Compliance

Subcommittee or the Compliance Officer determines that a Conflict of Interest exists, the Compliance Officer shall notify the applicable Colleague in writing of the determination and the recommended course of action. The Colleague shall respond in writing indicating how he/she complied with the determination.

5. **Discipline.** Failure to comply with this Policy, as well as refusal to complete the form, may result in disciplinary measures, up to and including removal from office of termination of employment.

V. TRANSACTIONS WITH AGH

The following process must be followed before AGH interest into any transaction with (a) a Disqualified Person, (b) an individual who was a Disqualified Person at any time during the five (5) years prior to the transaction, or (c) an Entity in which a Disqualified Person directly or indirectly holds at least a thirty-five percent (35%) interest:

- A. The transaction must be approved by the Board Legal, Regulatory, & Compliance Subcommittee. If any member of the Subcommittee has any Conflict of Interest with respect to the proposed transaction (including any family, employment or financial relationships with the Disqualified Person who would engage in the transaction with AGH), that member must recuse himself or herself from all proceedings pertaining to the proposed transaction.
- B. The Board Legal, Regulatory, & Compliance Subcommittee must rely on objective data (such as independent appraisals, written offers, comparables and independent compensation surveys) in approving the transaction.
- C. The Board Legal, Regulatory & Compliance Subcommittee must adequately document the basis for its decision in minutes or other records that describe –
 1. The terms of the transaction and date of approval;
 2. The Individuals who were present during the discussion of and vote on the transaction;
 3. The source and substance of the data relied upon;
 4. The actions taken with respect to any Conflicts of Interest; and
 5. If the approved compensation or other payments are above or below the comparables, the reason for the discrepancy.
- D. The minutes or other records containing this information must be prepared before and approved at the next Board Legal, Regulatory & Compliance Subcommittee meeting.

Reference(s):

Anti-kickback Statute, 42 U.S.C. §1320A ff.

Internal Revenue Code §4958 (Intermediate Sanctions)

See Compliance Policy – Anti-Kickback, Stark, and False Claims Act 919-8

Attachments

[A: Conflicts of Interest and Code of Conduct Annual Acknowledgement and Disclosure Form](#)

Approval Signatures

Step Description	Approver	Date
Board of Governors	Anna Byers	10/2019
Medical Executive Committee	Joe Salgado: Physician	10/2019
CFO Approval	Cory Yates: CFO	08/2019
Policy Committee	Erica Moore: Administrator Assistant	07/2019
CFO Approval	Cory Yates: CFO	07/2019
Policies Admin	Irma Salmon: Bone & Joint Assistant	05/2019
Policy Owner	Leonel Limonte: Chief Quality Officer	05/2019

