

Policy Name:	Conflict of Interest
Policy Number:	106
Department:	Compliance
Functional Area:	Compliance
Approved by:	BSMH Board of Directors
Effective Date:	8/20/2020
Version:	2.0
Policy Status:	Approved

I. Policy

Bon Secours Mercy Health (BSMH) and its Affiliates (collectively, the “Ministry,”) are guided by their common mission and values in all their activities. The values of integrity and stewardship are particularly relevant to how the Ministry conducts business. Acting with integrity and exercising good stewardship requires, in part, that business decisions be made free of any considerations unrelated to the best interests of the Ministry. Potential Conflicts of Interest can compromise such integrity and independence if not identified, assessed and either eliminated or appropriately managed. The existence of a potential Conflict of Interest may, but does not always, require an individual to refrain from potentially affected decision-making. The existence of a potential or actual Conflict of Interest is not in and of itself improper. Therefore, all Covered Individuals have a duty, at all times, to conduct the Ministry’s affairs and to fulfill their obligations to the Ministry, in an impartial and unbiased manner, in the best interests of the Ministry and the individuals it serves, and in strict compliance with this Potential Conflicts of Interest Policy (Policy).

The Audit and Compliance Committee (ACC) of the BSMH Board has the ultimate responsibility for the Policy implementation, compliance monitoring, and enforcement. The ACC may delegate responsibilities to the Chief Compliance Officer and such other staff as it deems appropriate, without delegating its overall oversight responsibility. The ACC may, in consultation with other Committees as appropriate, from time to time cause changes to this Policy and adopt procedures and guidelines that supplement and are consistent with those set forth in or required by this Policy and related policies, as it considers necessary and appropriate to fulfill its charge.

All Covered Individuals shall cooperate with the ACC and its delegates in the administration and enforcement of this Policy and such procedures and guidelines.

II. Purpose

The purpose of this Policy is to set forth the responsibilities of Covered Individuals with respect to disclosing, identifying, and documenting potential Conflicts of Interest (Conflict) in and with other organizations or individuals. This Policy is intended to supplement (not replace) any applicable state laws governing Conflicts applicable to charitable, nonprofit organizations, and is to be read in conjunction with other related Ministry policies, including but not limited to the Policy and Procedures on Conflicts of Interest in Research.

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III. Scope

This Policy applies to the following Covered Individuals:

1. All members of Ministry Boards of Directors and Board Committees;
2. Senior and executive Ministry leaders;
3. Key Ministry management personnel (Director and above);
4. All Ministry associates who are involved in selection of vendors, contracting and/or purchasing on behalf of the Ministry;
5. All contracted (service provider) and employed physicians and Advanced Practice Clinicians; and
6. Any other associate that has a potential Conflict is also encouraged to make a disclosure for evaluation.

IV. Policy Details

1. Duty to Disclose potential Conflicts of Interest:
 - a. This Policy establishes for all Covered Individuals a continuing obligation to make written disclosure of all existing or potential Conflicts of Interest.
 - b. In preparing a disclosure, a Covered Individual must consider all roles and responsibilities within the Ministry and all outside activities and financial and personal interests.
 - c. Examples of Conflicts to Disclose

The following is a non-exhaustive list of situations or circumstances which constitute potential Conflicts of Interest. This Policy requires these and all similar circumstances to be disclosed. When in doubt, it is best to disclose.

 - i. Outside employment or other compensatory arrangements for services;
 - ii. Membership on a board of directors of an unaffiliated entity;
 - iii. Direct or immediate family financial interest in a vendor, or potential vendor, to the Ministry;
 - iv. Ownership interest in a third party that provides goods or services to the ministry;
 - v. Ownership in land or properties that may be leased or sold to the Ministry; and
 - vi. Holding or pursuit of financial or business interests that present an opportunity to act in a manner detrimental to the Ministry (e.g., seeking to buy a property also sought by the Ministry).

2. Timing of Disclosure of Potential Conflicts:

All information disclosed by Covered Individuals during the disclosure and review process described herein will be confidential, except as necessary to implement this Policy or as otherwise required by law. The following sets forth the disclosure requirements for all Covered Individuals.

- a. Initial Disclosure. Upon becoming a Covered Individual, each Covered Individual must disclose all interests that he/she holds, or expects to hold, in the near future, in the

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- manner outlined in the Ministry’s Conflict of Interest Disclosure Form.
- b. Annual Disclosure. All Covered Individuals must disclose, any interests that they currently hold, or expect, in the near future to hold, in the manner outlined in the Ministry’s Conflict of Interest Disclosure Form.
 - c. Continuing Disclosures. If, during any given year, a Covered Individual becomes aware of a new actual or potential or otherwise undisclosed potential Conflict, the Covered Individual must promptly and appropriately update the Conflict of Interest Disclosure Form.
 - d. Disclosure Prior to Participation in Decision or Activity. Regardless of whether a potential Conflict has been disclosed, a Covered Individual must, prior to participation in any decision making process, disclose to his or her supervisor or in the case of the chief executive officer or a Board member, to the Board or Committee Chair, any Conflict s/he holds that could be viewed as having the potential to influence his or her decision-making judgment.
3. Steps of Review and Management of Conflicts.
- a. Review: BSMH Compliance Department reviews all Conflict of Interest disclosures to determine if a disclosed matter constitutes a potential Conflict of Interest requiring management. The review constitutes an independent evaluation of all available facts and circumstances by a disinterested party.
 - b. Managing Conflicts
 - i. Potential Conflicts of Interest Disclosed through the Reporting Process:
 - 1. Potential Conflicts are shared with the Covered Individual’s Leader and in collaboration with Compliance, the Leader will conclude if an actual Conflict exists and, if so, determine how it will be managed. The Leader is responsible for informing the Covered Individual of the determination and outlining how the Conflict will be managed.
 - 2. Management Options for Conflicts:
 - a. Minimize the Conflict: The Leader may determine that, absent any change in the relevant facts and circumstances, the Conflict can be managed without significant interference in the Covered Individual’s day to day responsibilities. Options for minimizing the Conflict include, but are not limited to:
 - i. Covered Individual recuses themselves from research, discussion, and/or decision-making regarding the subject matter of the Conflict,
 - ii. Covered Individual provides documentation of appropriate actions when dealing with situations where the Conflict is relevant, and/or

- iii. Taking other actions as are reasonably expected to prevent the Conflict from adversely affecting the Covered Individual’s performance of duties for the Ministry.
 - b. Eliminate the Conflict: The Leader may determine that the Conflict is of such a nature as to impair the Covered Individual’s ability to act in an unbiased manner and in the Ministry’s best interests. In such a case, it may be necessary to eliminate the Conflict. This may be done by:
 - i. Modification of the Covered Individual’s role or responsibilities;
 - ii. Termination of the Financial Interest or Personal Interest giving rise to the Conflict; or
 - iii. Other appropriate actions.
 - 3. The Leader, in collaboration with Compliance when appropriate, determines the method chosen for managing the Conflict
 - 4. Compliance maintains record of how the Conflict will be managed, which is made available to Ministry parties in need of such information (example, Legal).
 - 5. For all Conflicts, the Leader and Covered Individual are responsible and accountable for managing the Conflict.
- ii. Conflicts Arising Prior to Reporting:
- 1. A potential Conflict that is discovered outside of the reporting process, such as a Ministry Board of Director’s member determining that an agenda item will present a potential Conflict of Interest, should be addressed and managed immediately. In most cases, until a formal Conflict of Interest determination is made, consistent with this Policy, management of the Conflict may be accomplished by excusing the Covered Individual from participating in any discussion and placing a vote concerning the subject matter of the potential Conflict of Interest, as well as documenting actions taken at the time (board minutes).
 - 2. The Covered Individual must, as soon as practical after disclosure of the potential Conflict of Interest, report the Conflict of Interest by contacting the Compliance Department and/or entering the disclosure in the BSMH Conflict of Interest disclosure system.
- c. Report and Review of Management of Conflict of Interests: Upon the completion of the annual review process, the Compliance Office will provide the following committees a report identifying all Conflicts involving persons as to which the committees have oversight, the accountable parties and a summary of the plan for managing or other action(s) taken with respect to the Conflicts reported.

- i. The BSMH Audit and Compliance Committee will receive a report of Conflicts involving the BSMH and HealthSpan Partners (HSP) Boards, BSMH Board Committee members, and key Ministry Leadership (Director and above), including all Ministry associates who are involved in the selection of vendors and contracting and/or purchasing on behalf of the Ministry and will have oversight of the Executive and Governance Committee, the BSMH and HSP Boards, and the Market Boards
- ii. The Executive and Governance Committee will receive a report of Conflicts involving BSMH and HSP Boards, BSMH Board Committee members, Market Boards and Committee members; BSMH Insurance Company (Captive); BSMH System and Market Foundation Boards and Committees; and the Accountable Care Organizations’ (ACO) and Clinically Integrated Network Board and Board Committee members;
- iii. The BSMH and HSP Boards will receive a report of Conflicts involving the BSMH and HSP Boards, BSMH Board Committee members, Market Boards and Committee members and key Ministry Leadership (Director and above), including all Ministry associates who are involved in the selection of vendors and contracting and/or purchasing on behalf of the Ministry;
- iv. Market Boards will receive a report of Conflicts involving Market Physicians and Advanced Practice Clinicians.

If a reported Conflict is outside of the annual disclosure process, and involves the Chief Executive Officer (CEO) or one of the CEO’s direct reports, the following reporting will occur:

- a) If the CEO discloses a new potential Conflict outside the annual reporting process, the Chief Compliance Officer will ensure a summary of the disclosure is provided to the BSMH Board Chair.
- b) If a direct report of the CEO discloses a new potential Conflict outside the annual reporting process, the Chief Compliance Officer will ensure a summary of the disclosure is provided to the CEO.

V. Administration and Enforcement

The BSMH ACC of the Board shall be responsible for administering and enforcing this Policy. The Chair of the ACC, having reviewed any and all Conflicts with the Committee, shall report annually to the full Board on the administration, infractions, and enforcement of this Policy and shall report at the earliest opportunity all matters of concern to the full Board in executive session while interested parties are recused.

The BSMH Chief Compliance Officer is the responsible administrative authority to assist the Board in administering and enforcing this Policy and bringing concerns to the ACC. The BSMH Chief Compliance Officer shall be responsible for:

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1. Annually distributing Conflict of Interest forms to and collecting completed disclosure forms from all Covered Individuals;
2. Reviewing all disclosure forms for compliance with this and all related BSMH policies and to identify all actual or potential Conflicts of interest;
3. Preparing and submitting to the ACC annual and updated (where applicable) reports summarizing all relevant information contained in the disclosure forms;
4. Receiving all disclosures of actual or potential Conflicts of Interest as they arise and notifying the Chair of the Board, the Chair of the ACC, and the CEO of such concerns, as applicable;
5. Gathering all relevant information pertaining to an actual or potential Conflict, investigating if necessary, and reporting routinely to the Chair of the ACC;
6. Educating the board on changes to applicable laws, regulations, statutes, or interpretations that may pertain to Conflicts of Interest;
7. Ensuring all ACC actions and concerns related to this Policy are documented and retained, and periodic reviews conducted; and
8. Keeping confidential all Disclosure Forms and related documentation by limiting access to persons who have a reasonable need to know for purposes of administering and enforcing this Policy.

Violations of this Policy

All associates have an obligation to report to the Chief Compliance Officer any situation s/he believes to be a violation of this Policy.

If the Chief Compliance Officer or their delegate have reasonable cause to believe that a Covered Individual has failed to make a disclosure required by this Policy or has otherwise failed to comply with this Policy, they will inform the Covered Individual of the basis for such belief and afford such person an opportunity to make the disclosure. If, after hearing the response of the Covered Individual and making such further investigation as may be reasonable and warranted in the circumstances, the Chief Compliance Officer or their delegate determines that the Covered Individual has in fact failed to make the disclosure, they may make recommendation for disciplinary action (e.g., removal of a director or officer from his or her position, termination of employment, ineligibility to participate in research studies, and sanctions under applicable medical staff bylaws).

Covered Individuals are encouraged to contact the Chief Compliance Officer or the Chief Legal Officer or either of their designees regarding any questions concerning their obligations under this Policy.

VI. Definitions

1. **Advanced Practice Clinician:** Includes physician assistants and advanced practice registered nurses.
2. **Affiliate:** An Affiliate of BSMH is any entity, individual, firm, or corporation, which directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with BSMH.
3. **Associates:** Parties within the scope of this Policy.
4. **Conflict of Commitment:** A conflict of Commitment involves a situation in which an employee engages in an outside professional activity, paid or unpaid, that involves a commitment of time that may interfere, or appear to interfere, with fulfillment of the employee's obligations to the Ministry.
5. **Conflict of Interest:** A Conflict of Interest is a circumstance, fact, activity or relationship which might cause an individual's obligation to act impartially and exercise independent judgment in the best interests of BSMH, or otherwise exercise duties owed to BSMH, in an unbiased manner to be compromised. This could occur because such person has one or more other interests, such as a Financial Interest or Personal Interest, that influences or could appear to influence the objective fulfillment of his or her duty(ies) to BSMH, including situations where the individual, and/or an Immediate Family Member, has an opportunity to benefit personally from a decision related to a transaction involving BSMH.
6. **Contracted Physician and Contracted Advanced Practice Clinician:** Parties within the scope of this Policy are those who are retained under written agreement, provide the specified services and receive repeated payments for those services.
7. **Financial Interest:** A person has a Financial Interest if the person has, directly or indirectly, through business, investment, or an Immediate Family Member:
 - a. An ownership or investment interest in any entity with which BSMH has a transaction or arrangement;
 - b. Compensation arrangement with any entity or individual with which BSMH has a transaction or arrangement;
 - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which BSMH is negotiating a transaction or arrangement;
 - d. Compensatory/employment arrangements outside of BSMH;
 - e. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

- 8. Immediate Family Member: For the purposes of this Policy, immediate family members include spouse, domestic partner, parents and/or children (by blood, marriage, or adoption).
- 9. Personal interest: Any personal activity or relationship that impairs or could appear to impair the ability of an individual to act impartially in the best interest of BSMH, exercise duties owed to BSMH in an unbiased manner or otherwise carry out the objective fulfillment of his or her duty(ies) to BSMH.
- 10. Covered Individual: Individual making the disclosure as defined in Section III Scope, above.
- 11. Leader: Refers to the Covered Individual’s supervisor or, in the case of the Covered Individual being a Board member, the Board Chair.

VII. Attachments

- COI Process Work Flow
- COI Timeline

VIII. Related Policies

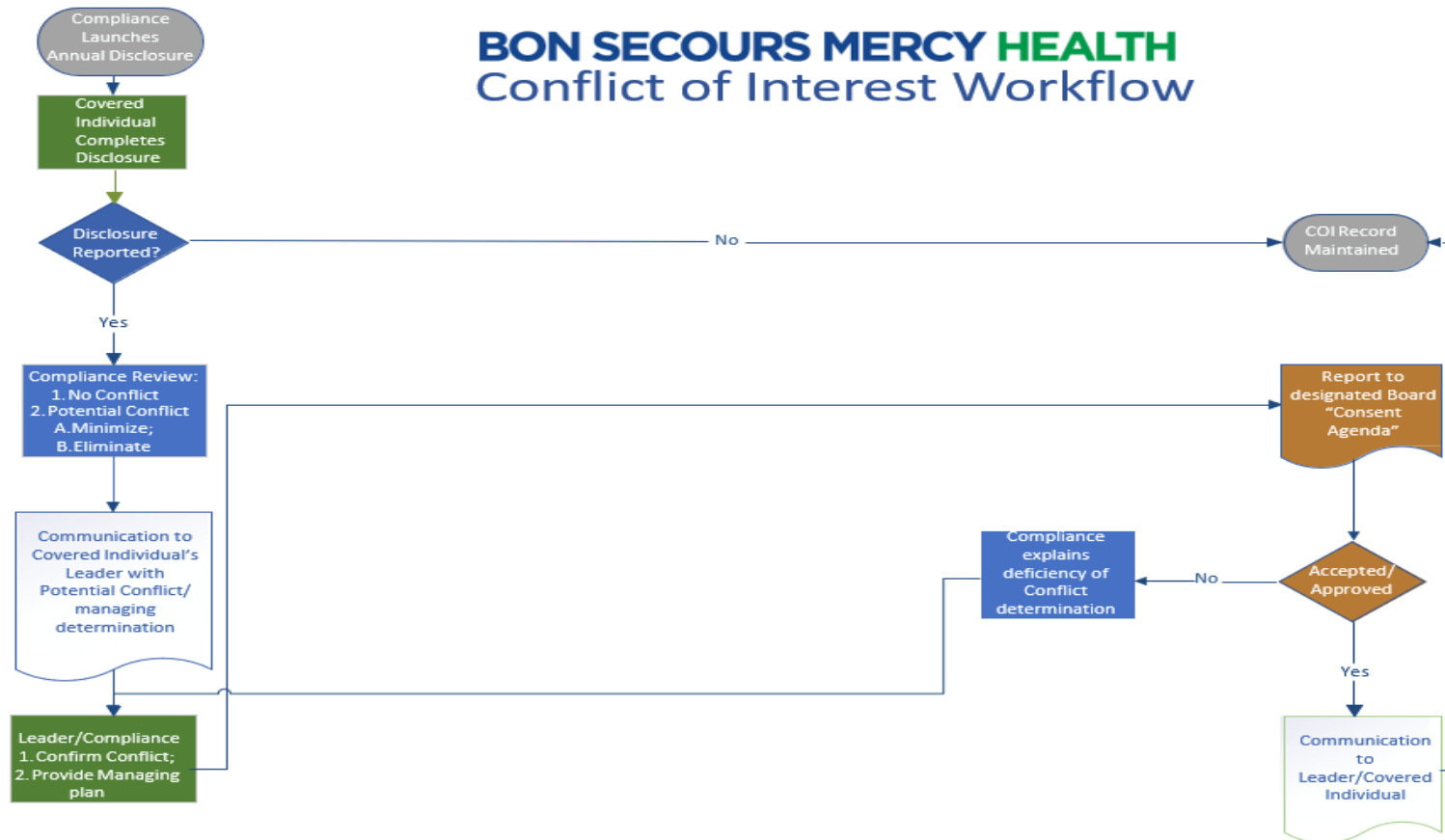
- Policy and Procedures on Conflicts of Interest in Research

IX. Version Control

Version	Date	Description	Prepared By
2.0	6/12/2020	Update to policy to include process and approvals	Chief Compliance Officer
1.0	12/12/2019	Original Policy	Compliance

Attachment
COI Process Workflow

BON SECOURS MERCY HEALTH
Conflict of Interest Workflow



Attachment

COI Timeline

