

Hennepin Healthcare System	
Title: Conflict of Interest	Policy # 003937
Policy Sponsor: General Counsel and Vice President (VP) Risk and Chief Compliance Officer	
Review Body(s): Hennepin Healthcare System (HHS) Board Audit and Compliance Committee	
Approval Body: HHS Board of Directors	
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Reviewed/Revised:	

PURPOSE

To enable team members of Hennepin Healthcare System (HHS) to understand, identify, disclose, avoid (where possible), or manage actual, potential, or perceived conflicts of interest, commitment, and/or the institution's mission. This will ensure team members are able to exercise objectivity in judgment, actions, decision-making, and performance of their HHS responsibilities in the best interest of HHS.

POLICY

Team members and others who work on behalf of or represent HHS must avoid situations in which their interests or relationships could conflict, or reasonably appear to conflict, with the interests of HHS.

Generally, this means avoiding:

- A. Outside employment or activities that could negatively impact the team member's job performance or HHS's reputation in the community; or
- B. Any personal or family member's interest in an outside enterprise that has a business relationship with or competes directly with HHS; or
- C. Any outside financial interests, ownership interests, board, or business relationships that could influence the HHS team member's decisions or actions.

SCOPE

All team members are obligated to disclose any interest or activity that conflicts or appears to conflict with the best interests of HHS. In accordance with Minnesota Statutes 383B.905, Subd. 3a., this policy does not apply to County Commissioners who also serve on the board of Hennepin Healthcare System, Inc.

Additional disclosure requirements apply to certain team members groups in accordance with the Key Providers, Identified Team Members, and Board Members Annual Conflict of Interest Disclosure policy #020251.

DEFINITIONS

Compensation Interest: The receipt or expectation to receive compensation as an team members, independent contractor, consultant, board member, or any other capacity from an entity or individual.

Conflict of Commitment: A conflict that exists when an outside activity or relationship may deter an individual from devoting an appropriate amount of time, energy, dedication, or other personal resources to the individual's HHS responsibilities.

Conflict of Interest: Any situation in which financial or other personal interests may compromise, have the potential to compromise, or have the appearance of compromising:

- A. A team member's business or professional judgment;
- B. The delivery of patient care;
- C. A team member's ability to perform their job duties; or
- D. The institution's mission or values.

An actual or potential conflict of interest may occur when a team member is in a position to influence a decision that may directly or indirectly result in personal gain for the team member or a family member. Examples of conflicts:

- A. Business Relationships: Team member has an actual or potential conflict of interest if team member or a family member is affiliated with a business or organization that may interfere with their role at HHS. Examples of business relationships that must be disclosed are when:
 - 1. The business is a contractor or vendor of HHS;
 - 2. The business competes with HHS; or
 - 3. The relationship could harm HHS's reputation.
- B. Ownership: Team member has an actual or potential conflict of interest if team member or a family member own any stake in a privately owned vendor or competitor or own more than a small portfolio interest in a publicly owned vendor or competitor.
- C. Boards: Team member may sit on a board provided the commitment does not interfere with their role at HHS, the relationship will not harm HHS's reputation, and team member has received appropriate approval from their supervisor or manager. (See the Conflict of Interest policy #003937 for more information as to what constitutes a conflict.)

Conflict of Interest Review Committee (COIRC): A committee convened to review disclosures and recommend management plans in order to mitigate, reduce, or eliminate actual or perceived conflicts of interest, conflicts of commitment, or conflicts of mission.

Conflict of Mission: A situation in which the outside activities a team member engages in either is or appears to be contrary to the mission or values of HHS. A conflict of mission may be difficult to disclose as a conflict of mission will likely be identified by the Internal Review Team or the COIRC.

Equity Interest: Any type of ownership interest in any entity, such as stock, stock options, or other investment interest.

Family Member: Includes spouse, domestic partner, or spousal equivalent, child, stepchild, parent, or sibling of the team member or their spouse or domestic partner, or any other person who is a member of the team member's household for tax or insurance purposes, or a relative currently living with a team member or whose assets the team member controls.

Financial Interest: An actual or anticipated/planned interest or relationship that are any of the following:

- A. Equity interest; or
- B. Compensation interest; or
- C. Gifts.

Provided, however, team members generally will not be expected to identify the following as financial interests unless specifically requested by HHS:

- A. Income from seminars, lectures, or teaching engagements sponsored by or service on advisory committees or review panels for a federal, state, or local government agency, and institution of higher education, an academic teaching hospital, a medical center, or a research institute that is affiliated with an institution of higher education; or
- B. Income from and equity interests in diversified investment vehicles (such as mutual funds, pensions, certificates of deposit, and/or other retirement accounts), and as long as the team member does not directly control the investment decisions made by or directly influence the performance of the interests held in these vehicles, that exceeds \$10,000 in fair market value or represents more than a five percent ownership interest in any single entity.

Gift: Any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, good, service, training, transportation, lodging, meal, or other item (in cash or in kind) that provides a personal benefit to the recipient. It does not include an award given for merit, excellence in a certain field of expertise, or a particular accomplishment. It also does not include a gift made to HHS Foundation for HHS purposes.

Outside Activity: Involvement with any person, trust, organization, enterprise, or other entity that is not an entity associated with or under the control of HHS and that may interfere with the fulfillment of HHS responsibilities.

Outside Employment: Includes provision of services to outside entities that currently do business with, compete with, or seek to do business with HHS. Services provided or an assigned role may or may not be compensated. Examples include a position on a board of directors or consulting services which have the potential to conflict with employment responsibilities.

PROCEDURE

I. Team Member Responsibilities

- A. Team members are required to disclose to their manager, supervisor, or the Compliance Department, at COISupport@hcmcd.org, any conflicts of interest, including potential conflicts involving them or a family member.
 - 1. Team members who suspect or are unsure whether an activity or situation in which they are involved is a conflict of interest should ask their manager or supervisor or contact Compliance. Team members may email conflicts of interest questions to the Compliance Department at COISupport@hcmcd.org.
 - 2. To report other concerns about potential or observed conflicts of interest, team members may access the Compliance Hotline.

- B. After disclosing the conflict or potential conflict, team members will be informed regarding whether the interest of the relationship constitutes a conflict and, where applicable, the appropriate steps necessary to manage or avoid the conflict.
- C. Team members are required to report to their manager or supervisor whenever there are material changes to any outside financial interests or outside employment, or activities as outlined in the Outside Employment policy #001948. The manager or supervisor will notify Compliance of any material changes.
- D. Team members should remove themselves from participation in any decision-making, purchasing, ordering, or prescribing decisions if they have a personal interest in the outcome of the decision.
- E. Guidance, also called a management plan, will be provided in writing by Compliance to the team member and to the manager or supervisor. The team member is required to follow the conflict management plan.

II. Manager or Supervisor Responsibilities

- A. The manager or supervisor is required to report to and seek guidance from Compliance about whether the circumstances rise to the level of real or apparent conflict of interest or commitment.
- B. Upon receipt of a team member's disclosure, evaluation followed by a determination will be made by Compliance on behalf of HHS as to whether it is an actual or potential conflict of interest. A team member may be requested to provide additional information about the potential conflict. The VP Risk and Chief Compliance Officer will consult with Human Resources or the Office of the Medical Staff as necessary. After evaluation, if it is determined that a conflict or the appearance of a conflict exists, Compliance will work with the team member and their manager or supervisor to develop a management plan to mitigate the conflict.
- C. If it is determined that an actual or potential conflict exists, or that a team member has failed to properly report a conflict, HHS may take one or more of the following actions:
 - 1. Waive the conflict;
 - 2. Escalate the conflict to the COIRC with the completed Conflict of Interest Review Committee (COIRC) Worksheet, as necessary;
 - 3. Require the team member to modify or eliminate the conflicting interest or activity, or modify or terminate the conflicting relationship;
 - 4. Modify a team member's employment duties or compensation or, if applicable, those of an involved family member employed by HHS;
 - 5. Any other action to mitigate risk posed by the actual or apparent conflict; and/or
 - 6. Disciplinary action, up to and including suspension or termination of employment, subject to applicable laws and regulations.

III. Discipline

Failure to comply with this policy or any conflict management plans created under it may result in disciplinary action up to and including termination of employment.

SUPPORTING DOCUMENTS

HHS Code of Conduct

Health Care Provider Disclosure of Financial Interest
Conflict of Interest Review Committee (COIRC) Worksheet

SUPPORTIVE INFORMATION

Regulatory Statute/Standard Reference: Joint Commission Standards LD.02.02.01 (Hospital) and LD.04.02.01 (Behavioral Health/Home Care). The Stark Law [42 US § 1395nn], 42 U.S. Code § 1395nn. The Anti-Kickback Statute [42 USC § 1320a-7b(b)], 42 U.S. Code § 1320a-7b. Internal Revenue Code § 501(c)(3). Minnesota Statutes 383B.905 Subd. 3a.
Related Policies: Key Providers, Identified Team Members, and Board Members Annual Conflict of Interest Disclosure #020251; Outside Employment #001948; Attendance Expectations #001935; Gifts and Interactions with Outside Parties #010766; Prohibition on Providing Free/Discounted Services to Unregistered Patients #021951.
References: N/A
Communication/Employee Education: New Employee Orientation; Annual Required Training
Patient Education: N/A