

Conflict of Interest

Effective Date: 01/01/2018

Policy

- A. It is the policy of the ACO to ensure that the ACO, its Next Generation Participants, Preferred Providers, Next Generation Professionals, and all other individuals performing duties related to the ACO's activities (herein referred to as "individual" or "individuals") are free from conflicts of interest that could adversely influence, or be perceived to adversely influence, their judgment, objectivity, or loyalty to the ACO. This policy:
1. Requires each individual to disclose relevant financial interests;
 2. Provides a procedure to determine whether a conflict of interest exists and sets forth a process to address any conflicts that arise; and
 3. Addresses remedial actions for individuals that fail to comply with this policy.

Applicability

This policy applies to all members of the ACO Governing Body, Next Generation Participants, Preferred Providers, Next Generation Professionals and other individuals who perform duties related to the ACO's activities including, but not limited to, directors, officers, and management staff.

Procedure

A. Types of Conflicts of Interest

1. Using one's own knowledge. No individual may use his/her position, or the knowledge gained thereby, in such a manner that any conflict of interest between the ACO's interests and his/her personal interest might arise or appear to arise.
2. Holding another position. No individual may hold a position with, or have a substantial interest in, any other business enterprise that would create a conflict of interest or could be perceived to create a conflict of interest with the ACO without first disclosing that relationship completely and fully to the ACO Governing Body.
3. Accepting business courtesies. No individual may accept business courtesies from third parties in exchange for decisions, business judgments, or favor that benefit the third party to the detriment of the ACO.

B. Identification of Conflicts of Interest

1. Using one's own knowledge. A conflict of interest may exist where an individual uses his/her position in or knowledge of the ACO to benefit his/her personal interests without regard to the effect his/her actions would have on the ACO.
2. Holding another position. A conflict of interest may exist where the individual's relationship with another business enterprise affects, might tend to affect, or may be

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perceived to affect his/her duties, responsibilities, or independent judgment with respect to transactions between the ACO and the other business enterprise.

3. Accepting business courtesies. A conflict of interest may exist where the individual accepts business courtesies because such action can create the appearance that business decisions are being influenced by other factors. Accordingly, all individuals required to avoid circumstances in which personal interests conflict with, or may appear to conflict with, the ACO's interests.
4. Examples of prohibited activities include, but are not limited to:
 - a. **Disclosing Trade Secrets** – Disclosing any trade secrets or confidential, sensitive, or proprietary information about the ACO, its clients, its products, or its programs to persons outside the ACO;
 - b. **Conducting Competitive Business** – Owning, operating, or being employed as an employee or consultant by any business that competes, directly or indirectly, with the ACO;
 - c. **Maintaining a Financial Conflict** – Having a direct or indirect financial relationship with a competitor, customer, or supplier;
 - i. No conflict of interest will exist where the individual owns less than one percent of the publicly traded stock of a corporation.
 - d. **Engaging in Non-Work Activity** – Engaging in any other employment or non-work-related activities during work hours or using ACO supplies or equipment in other employment or non-work related activities;
 - e. **Improper Dealings** – Engaging in any activity, agreement, business investment, or interest that constitutes a conflict, poses a potential conflict, or may be perceived to pose a conflict, with the ACO's interests or that may interfere with the individual's duties and ability to best serve the ACO.
 - f. **Accepting Gifts** – The acceptance of gifts can create the appearance that business decisions are being influenced by other factors. Accordingly, individuals should not seek or accept any gifts from vendors, customers, politicians, political candidates, or anyone seeking to have a business relationship with the ACO in their professional capacity. Gifts are defined as cash or any other item or service given, without proper compensation, to an individual, whether a person or organization.
 - i. Exceptions to this policy include common promotional items as well as reasonable meals and entertainment.
 - ii. Unless otherwise prohibited by the nature of the contract or relationship, an individual may accept meals, refreshments, tickets, or other entertainment paid for by third parties as long as:
 - a. The acceptance of such is related to a bona fide business cause;

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- b. The acceptance of such does not violate any law or ethical standards otherwise imposed upon the individual; and,
 - c. The cost, extent, and frequency of such is reasonable and does not become excessive, as determined in the sole discretion of the ACO.
- iii. Discretion should be used when considering the few exceptions noted above. Compliance or an appropriate supervisor should be notified immediately upon receipt of such items.
 - iv. Additional restrictions upon accepting gifts or other items of value may exist through governmental contracts. It is the individual's obligation to understand and abide by any and all such restrictions.

C. Conflict of Interest Education & Documentation

1. Each individual shall be given a copy of the Conflict of Interest Policy upon election as an officer or election to the Governing Body.
 - a. Each individual shall submit a signed Conflict of Interest Resolution statement annually to the Compliance & Ethics Subcommittee. The statement confirms that the individual: (1) has received a copy of the Conflict of Interest Policy; (2) has read and understands the policy; (3) is in compliance with the policy; and, (4) has agreed to comply with the policy.
2. Training on the Conflict of Interest Policy will be provided upon hire and at least annually thereafter. The training will be documented in the individual's file.

D. Disclosure of Conflicts

1. Each individual must complete and submit a declaration of potential conflicts of interest form to the Compliance & Ethics Subcommittee. The form will be provided to the individual by the ACO and the Compliance & Ethics Subcommittee shall raise any issues arising from such disclosure to the Governing Body, as appropriate.

E. Addressing Conflicts of Interest

1. If a question arises about whether or not a conflict of interest has occurred, it should be brought to the attention of a Manager, Compliance Officer, or General Counsel.
2. When a potential conflict of interest is disclosed, the individual should refrain from further participation in matters to which the conflict relates until the question of conflict has been resolved. The Compliance Officer and General Counsel, will review and determine the appropriate course of action to address the conflict.
3. Disclosure of any actual or potential conflicts of interest will not necessarily permanently restrict the individual's activities. Conduct that may appear questionable at first may be deemed acceptable and permissible when all facts regarding the activity are examined. The Governing Body (excluding the individual(s) with the potential conflict(s)) shall review

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all conflict of interest disclosures and decide whether a disclosed conflict of interest warrants further action.

4. The Governing Body may request that the individual present additional information to the Governing Body. However, in no event shall such individual have the right to participate in the deliberations regarding the disclosed conflict of interest.
5. Should the Governing Body determine that an Individual has a conflict of interest that warrants further action, it shall (depending on the circumstances and severity of such conflict of interest) take one or more of the remedial actions outlined in Section F of this policy.
6. If the Governing Body finds that an individual has failed to disclose an actual or potential conflict of interest, or the Governing Body has reasonable cause to believe that an individual has failed to disclose an actual or potential conflict of interest, the Governing Body will inform the individual in writing of the basis for such belief and provide him or her with the opportunity to explain the alleged conflict and failure to disclose. If, after hearing the response and making further investigations, the Governing Body determines that the individual has in fact failed to disclose an actual or potential conflict of interest, the Governing Body shall take one or more of the remedial actions outlined in Section F.

F. Remedial Actions

1. If a conflict of interest is identified by the Governing Body as requiring remedial action, the following action(s) may be taken:
 - a. Written Warning – This action shall be applied in instances where the conflict of interest has had limited or no adverse consequences on the workings and/or reputation of the ACO.
 - b. Suspension – This action shall be applied where the adverse consequences of the conflict of interest demonstrate significant misconduct and/or where the Governing Body would deem it necessary to have significant additional time to look in to the matter prior to making a decision. Offenses under this category include, but are not limited to, behavior in contradiction to the principles found in the regulatory framework of the ACO or in instances where the person has received multiple written warnings.
 - c. Removal – This action shall be applied where instances of a significant conflict of interest or penal misconduct (including fraud or moral turpitude) occur and where the repercussions materially and/or adversely affect the image, reputation, and integrity of the ACO or run afoul of the principles of the Medicare Shared Savings Program or other applicable Federal or state laws and regulations.

Decisions regarding the type of remedial actions to be applied shall be determined by the Governing Body in its sole discretion.

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Reporting

- A. N/A

Related Documentation

- A. Next Generation ACO Model Participation Agreement Section III.B.3
- B. ACO Terms & Definitions Policy
- C. Code of Conduct
- D. Conflict of Interest Statement Form