

Policy Title:	Conflict of Interest Policy
Category:	CMP - Compliance
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Associated Forms & Policies	Conflict of Interest Disclosure Form
Regulation Reference (if applicable):	Internal Revenue Service guidance, Form 990 requirements, Organization Bylaws and Board Members' Duty of Loyalty
Key Words:	Conflict, Compliance, Gifts, Gratuities, Honoraria, Financial

I. Policy

Consistent with the Crouse Medical Practice (CMP) Compliance Plan, the organization's Bylaws and this Policy, [Covered Persons](#), as defined below, owe a duty of undivided and unqualified loyalty to CMP. Covered Persons may not use their positions to profit personally or to assist others in profiting in any way at the expense of CMP. All Covered Persons are expected to regulate their activities so as to avoid actual impropriety and/or the appearance of impropriety which might arise from the influence of those activities on business decisions of CMP, or from disclosure or private use of CMP's business affairs or plans. Covered persons have an affirmative obligation at all times to report any changes to responses that may result from changes in circumstance before the next annual disclosure date is due.

Covered Persons, by completing a Conflict of Interest form, are showing ethical behavior and attentiveness to good business judgment in a transparent manner, while also complying with the laws that relate to the organization's tax-exempt status and filing of the IRS Form 990.

II. Purpose

The purpose of this Policy is to enable Covered Persons to identify, understand, manage and appropriately disclose actual, potential or perceived conflicts of interest. Covered Persons have an affirmative obligation at all times to report any changes to responses that may result from changes in circumstance before the next annual disclosure date is due

III. Scope

This Policy applies to CMP's Board of Directors, providers, management, and key employees ("[Covered Persons](#)"). [Key employees](#) shall include, but not limited to, those employees falling within the definition of "key employee" as set forth in applicable IRS instructions.

IV. Procedure

A. General Requirements

- i. CMP recognizes that the potential for conflicts of interest exists in the decision-making process in both subtle and obvious circumstances. Such conflicts may exist for decision makers at all organizational levels. All Covered Persons are expected to recognize situations where conflicts may occur including, but not limited to, deriving unethical personal and/or financial benefit from the exercise of one's authority. All Covered Persons shall fully disclose any potential or actual conflict of interest they may have.

- ii. As further defined in this policy, a conflict of interest may arise when a Covered Person, who is in a position of authority within CMP, may benefit personally, directly or indirectly, from a decision they could make. Examples of such conflicts include any direct personal or financial interest or outside activity that may interfere with the execution of a Covered Person's professional CMP responsibilities or duties, or activities which may jeopardize CMP's tax-exempt status.
- iii. Covered Persons have a responsibility to obtain clarification from their supervisors, board chair, Compliance Officer ("CO") or CMP's counsel on any doubt or concern that may arise as to whether specific conduct or activities constitute a conflict of interest.

B. Outside Financial Interests

While not all inclusive, the following serves as a guide to the types of activities by a Covered Person, or family member of a Covered Person, which might cause conflicts of interest:

- i. Ownership in or employment by, or engagement in another business relationship with any outside concern which does business with CMP. This does not apply to stock or other investments held in a publicly held corporation, provided the value of the stock or other investments does not exceed 5% of the corporation's stock. CMP may, following a review of the relevant facts, permit ownership interests which exceed this amount if CMP management concludes such ownership interests will not adversely impact CMP's business interest or the judgment of the Covered Person.
- ii. Use of a Covered Person's position at CMP to obtain favorable treatment when conducting any business not on behalf of CMP, with any vendor, supplier, contractor, or agency, or any of their officers or employees.
- iii. Representation of CMP by a Covered Person in any transaction in which they or a family member has a substantial personal interest.
- iv. Disclosure or use of confidential, special or inside information of or about CMP, particularly for personal profit or advantage of the Covered Person or their family member.
- v. Competition with CMP by a Covered Person, directly or indirectly, in the purchase, sale or ownership of property or property rights or interests, or business investment opportunities.
- vi. Involvement in the management or oversight of a business or charity (even without compensation), whether or not competitive to CMP, which divides the Covered Person's loyalty to CMP.

C. Gifts and Gratuities

- i. Gifts Influencing Decision-making: Covered Persons will not accept gifts, favors, services, entertainment or other things of value to the extent that decision-making or actions affecting CMP might be influenced. Similarly, the offer or giving of money, services or other things of value with the expectation of influencing the judgment or decision-making process of any purchaser, supplier, customer, government official or other person by CMP is absolutely prohibited. Any such conduct must be reported immediately to the Covered Person's supervisor and/or CO.
- ii. Gifts from Vendors: Covered Persons may not accept personal gifts from vendors which have more than a nominal value (\$30.00) without approval of the Executive Director or CCO, nor may they solicit personal gifts from vendors, suppliers, contractors or other persons. To the extent possible, these gifts should be shared with the Covered Person's co-workers.

D. Business Inducements

- i. Covered Persons will not seek to gain any advantage through the improper use of payments, business courtesies or other inducements. Offering, giving, soliciting or receiving any form of bribe, kickback or other improper payment is prohibited.
- ii. Appropriate commissions, rebates, discounts and allowances are customary and acceptable business practices provided that they are approved by CMP's Executive Director and that they do not constitute illegal or unethical payments. Any such payments must be reasonable in value, competitively justified, properly documented, and made to the business entity to which the original agreement or invoice was made or issued. Such payments should not be made to individual employees or agents of business entities.

E. Services for Competitors/Vendors

- i. No Covered Person will perform work or render services for any competitor of CMP or for any organization with which CMP does business or which seeks to do business with CMP outside of the normal course of their employment with CMP without the approval of the Executive Director of CMP or the Covered Person's supervisor. Without such approval, no Covered Person shall be a director, officer, or consultant of such an organization, nor permit their name to be used in any fashion that would tend to indicate a business connection with such organization.

F. Participation on Boards of Directors

- i. A Covered Person must obtain approval from their supervisor or, if a Director from the Chairperson of the Board of Directors, prior to serving as a member of the Board of Directors/Trustees of any organization whose interest may conflict with those of CMP.
- ii. A Covered Person who is asked, or seeks to serve on the Board of Directors/Trustees of any organization whose interest would not impact CMP (for example, civic [non-governmental], charitable, fraternal, and so forth) will not be required to obtain such approval.
- iii. A Covered Person must disclose all Board of Directors/Trustees activities in the annual Conflicts of Interest Disclosure Form. Questions regarding whether or not Board participation might present a conflict of interest should be discussed with a Covered Person's supervisor or, if a Director, with the Chairperson of the Board of Directors.

G. Honoraria

- i. Covered Persons are encouraged to participate as faculty and speakers at educational programs and functions consistent with such Covered Person's CMP duties and responsibilities. Honoraria provided to Covered Persons shall be consistent with this Conflicts of Interest Policy. Any honoraria received by Covered Persons for participation in programs during paid CMP work time may be required to be turned over to CMP subject to review of the Compliance Officer and/or the Covered Person's supervisor or manager.

H. Acknowledgment, Disclosure and Reporting Procedures

- i. Each Covered Person shall review this policy and the Conflict of Interest Disclosure Form upon orientation to their position.
- ii. At least annually thereafter, each Covered Person shall review this policy and any amendments thereto, and must submit to the CMP Compliance Officer a completed Conflict of Interest Disclosure Form.

- iii. The Compliance Officer shall review the Covered Person's completed Conflict of Interest Disclosure Form and shall determine if further action is required.
- iv. Each Covered Person shall at all times have an affirmative obligation to report any changes in their responses to the Conflict of Interest Disclosure Form that may result from changes in circumstances prior to the Covered Person's next annual disclosure due date.

I. Management of Conflicts of Interest

- i. In the case of pending transactions, once a conflict of interest has been identified, if the transaction in question is to be considered and/or approved by the Board of Directors, the procedure set forth in the Conflicts of Interest Policy referred to in CMP Bylaws shall be followed. In all other cases, the Compliance Officer is to be notified. The Compliance Officer, will then obtain input from or delegate to the appropriate supervisor or manager, to first determine whether CMP may enter into a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest. If it is determined that a more advantageous transaction or arrangement may not be possible, the Compliance Officer shall then assess whether the transaction or arrangement is in CMP's best interest and for its own benefit and whether it is fair and reasonable to CMP. They shall then advise the appropriate authorized CMP administrator/manager of this assessment for purposes of determining whether to enter into the proposed transaction. A written record of this process, including the determinations made, shall be maintained in the appropriate files of CMP.

V. Definitions

Covered Persons- Any CMP employee who has the capacity to make business decisions for the organization. This generally falls to the Board of Directors, Senior Leadership, Directors, Managers, and Supervisors.

Key Employee- Officers of the company with gross compensation in excess for \$180,000 (IRS definition)

**CROUSE HEALTH SYSTEM, INC.
CONFLICT OF INTEREST DISCLOSURE FORM**

This form shall be completed upon initial appointment, annually thereafter by individuals who serve, or during the past year have served, as an officer, key employee or member of the governing body of Crouse Health System, Inc. or any of its affiliated entities (as defined below). By completing this COI form, you are showing ethical behavior and attentiveness to good business judgment in a transparent manner. You are also complying with laws that relate to the organization's tax-exempt status and filing of the IRS Form 990.

DEFINITIONS:

Affiliated Entities – Crouse Health Hospital, Inc., Crouse Medical Practice, Crouse Health Network LLC, Community Memorial Hospital, Inc. and Crouse Health Foundation, Inc.

Relative - defined by law as a spouse or domestic partner, and parents, grandparents, great-grandparents, children, grandchildren, great-grandchildren, siblings, half-siblings, or the spouse or domestic partner of any of the foregoing.

INSTRUCTIONS:

Please answer the following questions, to the best of your knowledge, as they may apply to you or any of your relatives, and as they apply currently or in the past three (3) years. Attach additional explanation page(s) as needed. Forward any questions you have to the Compliance Officer

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1. Do you or any of your relatives hold, or have you or a relative held, any position as an owner, shareholder, member, manager, partner, director, trustee, officer, key employee or consultant for a business entity that has done business, is doing business or seeks to do business with any of the affiliated entities in the Crouse Health System?

No

YES

IF YES, PLEASE EXPLAIN: _____

2. Except as stated in your answer to Question 1, do you or any relative have, or have you or a relative had, a business, financial or employment relationship with, or any other interest in, any business entity that has done business, is doing business or seeks to do business with any of the affiliated entities?

No

YES

IF YES, PLEASE EXPLAIN: _____

3. Except as stated in your answer to Questions 1 and 2, have you or any relative received or enjoyed, directly or indirectly, any gift, entertainment, compensation, reward, or other benefit during the past year from any business entity that has done business, is doing business or seeks to do business with any of the affiliated entities?

No

YES

IF YES, PLEASE EXPLAIN: _____

4. Are you or any of your relatives an owner, director, officer or employee of any auditing or accounting firm that has worked on the audit of Crouse Health System, Inc. or any of the affiliated entities at any time during the past three (3) years?

No

YES

IF YES, PLEASE EXPLAIN: _____

5. Do you have a relative who currently or in the past three (3) years has been an employee of any of the affiliated entities within the Crouse Health System with direct compensation in excess of \$10,000.00?

No

YES

IF YES, PLEASE EXPLAIN: _____

6. Have you, or has any relative received a loan, or do you or any relatives owe any outstanding amount on a loan, or received or enjoyed, directly or indirectly, any gift, grant or other assistance from any of the affiliated entities within the Crouse Health System, Inc.?

No

YES

IF YES, PLEASE EXPLAIN: _____

7. Do you have a family relationship or a business relationship with any other individual who is an officer, governing board member or key employee of Crouse Health System, Inc. or any of the affiliated entities?

No

YES

IF YES, PLEASE EXPLAIN: _____

8. Are you, or to your knowledge is any relative, a member of the governing board, an officer, key employee, or consultant to, or have any other interest in any health care provider, third party payor or any other business entity involved in health care other than Crouse Health System, Inc. or any of the affiliated entities?

No

YES

IF YES, PLEASE EXPLAIN: _____

9. **FOR PROVIDERS:** Do you or an immediate family member have an ownership or investment interests with manufacturers of drugs, devices, biologicals, or medical supplies; OR have you or an immediate family member received payments, compensation, or transfers of value from such manufacturers? NOTE: These types of payments may result in an open payments listing by CMS under the Open Payments Sunshine Act.

No

YES

IF YES, PLEASE EXPLAIN: _____

ACKNOWLEDGEMENT:

I hereby acknowledge that I have received a copy of Crouse Medical Practice's Conflict of Interest policy and that I have read, understand and agree to comply with said policy. I have read this conflict of interest disclosure form and answered the questions to the best of my knowledge. I understand Crouse Health System, Inc., Crouse Health Hospital, Inc., Crouse Medical Practice, Community Memorial Hospital, Inc., and Crouse Health Foundation, Inc. are charitable organizations and that in order to maintain their federal tax exemption they must engage primarily in activities which accomplish one or more of their tax-exempt purposes. I understand that I have an affirmative obligation at all times to report any changes in my responses that may result from changes in circumstances before my next annual disclosure is due.

PRINT NAME: _____ SIGNED: _____

Title(s) or position(s) held within
Crouse Health System, Inc.: _____ DATE: _____