

<p><u>POLICY & PROCEDURE</u></p> <p>SUBJECT: Conflict of Interest MSO.98 (IHN)</p> <p>DEPT: MEDICAL STAFF OFFICE</p>	<p>Page 1 of 4 Policy MSO98</p> <p>EFFECTIVE Date: 04/08/2019</p> <p>REVIEW Date: 10/08/2019</p>
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I. POLICY

This Policy is designed to enable Medical Staff Leaders to determine whether a particular Conflicting Interest is a Significant Conflicting Interest for purposes of a specific Medical Staff leadership role. A conflict of interest arises when there is a divergence between an individual's private interests and his or her professional obligations, such that an independent observer might reasonably question whether the individual's professional actions or decisions may be affected by those private interests. A conflict of interest depends on the situation and not on the character of the individual. It is important to address conflicts (and reasonable appearances/perceptions) so as to protect the integrity of the process and all involved.

II. RESPONSIBILITY

CMO
Medical Staff Leadership
Medical Staff Office

III. PROCEDURE

A. DEFINITIONS

The following terms shall have the following meanings when used in this Policy, which shall apply to members of the Inspira Medical Centers, Inc. and Inspira Medical Center-Woodbury ("Hospitals") Medical Staffs for purposes of matters within the purview and authority of the Medical Staff:

1. "Affiliate" shall mean any organization that is directly or indirectly controlled by Inspira Health Network.
2. "Medical Staff Committee" shall mean any committee or task force that has been created in accordance with the Bylaws and applicable policies and Manuals.
3. "Medical Staff Leader" shall mean, as appropriate to the circumstances, MEC members, Department Chairs, Vice Chairs, Division Chiefs or applicable committee chairs.
4. "Officers of the Medical Staff" shall mean the President, President-Elect and Treasurer of the Medical Staff.
5. "Conflicting Interest" shall mean (1) any contractual, employment, or Financial Relationship with a non-affiliated hospital or other Health Care Organization that competes against the Hospital or any Affiliate; or (2) service in a position of strategic or medical direction leadership in any such non-affiliated hospital or other Health Care Organization; (3) a compensation arrangement, including the provision of travel accommodations and/or entertainment, from a third-party vendor in exchange for promotion or sponsorship of that vendor's products or services; or (4) litigation against the Hospital or Affiliate.
6. "Financial Relationship" shall mean any arrangement or transaction pursuant to which an individual or immediate family member has, directly or indirectly, through business, investment or a present or potential ownership, investment interest or compensation arrangement.
7. "Health Care Organization" shall mean any entity engaged in the business of providing health care services including, but not limited to, imaging, diagnostic,



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physical or occupational therapy, infusion and ambulatory surgery centers, laboratories, and home health agencies.

8. "Significant Conflicting Interest" shall mean any Conflicting Interest that is determined to be of such significance in the context of the position and role being considered as to preclude the individual from serving as an Officer of the Medical Staff, member of the Medical Executive Committee, Chair of a Medical Staff Committee if applicable, a Department Chair, Vice Chair or Division Chief, as applicable, in the reasonable judgment of the involved Leaders.

B. PURPOSE OF POLICY

This Policy is designed to enable Medical Staff Leaders to determine whether a particular Conflicting Interest is a Significant Conflicting Interest for purposes of a specific Medical Staff leadership role. A conflict of interest arises when there is a divergence between an individual's private interests and his or her professional obligations, such that an independent observer might reasonably question whether the individual's professional actions or decisions may be affected by those private interests. A conflict of interest depends on the situation and not on the character of the individual. It is important to address conflicts (and reasonable appearances/perceptions) so as to protect the integrity of the process and all involved.

C. DISCLOSURE OF CONFLICTING INTERESTS

1. Disclosure Statement

Every individual being considered for a specific Medical Staff leadership role shall submit a Conflict of Interest Disclosure Statement listing all potential Conflicting Interests with his/her application. All individuals shall update and resubmit their Disclosure Statements within 30 days of any addition, deletion or other change in the Conflicting Interests identified on the Disclosure Statement. The Disclosure Statement will be provided to the Chief Medical Officer ("CMO") and President of the Medical Staff at the time of consideration. If the CMO and/or President determines that a Conflicting Interest is a Significant Conflicting Interest, he or she will refer the matter to the Medical Executive Committee ("MEC"). If the MEC determines that an applicant has a Significant Conflicting Interest, the applicant will not be eligible to serve. The Medical Executive Committee may also determine that the interest is not disqualifying but may be handled by case-by-case recusal, taking into consideration the Interpretive Guidelines in Section G of this Policy. The individual may request review by the MEC. The MEC's determination will be final. Updated Disclosure Statements that materially change prior disclosures after an individual has been appointed or elected will be provided to the President and CMO and, if the CMO and/or President determines that an individual has a Significant Conflicting Interest, he or she will refer the matter to the MEC for final determination.

2. Medical Staff Leaders

The CMO and the Medical Staff President will review a candidate's disclosures of Conflicting Interests prior to appointment or election. If the CMO and/or

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President determines that a Conflicting Interest is a Significant Conflicting Interest, he or she will refer the matter to the Medical Executive Committee (“MEC”). If the MEC determines that an applicant has a Significant Conflicting Interest, the applicant will not be eligible to serve.

3. Board Meetings
If the MS President is recused from participation at a Board meeting, the MS President-Elect will attend that Board meeting.

D. MINUTES OF MEETINGS

Minutes of all meetings involving Conflicting Interests shall include the names of the person(s) who disclosed a Conflicting Interest, the nature of the Conflicting Interest and whether it was determined to be a Significant Conflicting Interest.

E. DISSEMINATION

This Policy shall be provided to all candidates for a Medical Staff leadership role. Such candidates shall sign a statement agreeing to comply with the Policy.

F. NONCOMPLIANCE

Failure to comply with this Policy shall constitute grounds for removal, as applicable, of any Medical Staff Leader.

G. INTERPRETIVE GUIDELINES

1. All Leaders and the MEC will evaluate potential Significant Conflicts reasonably, taking into consideration common sense and objective principles of fairness.
2. The guiding principle as to whether such a conflict may exist is whether an individual’s duty to another organization or facility or otherwise where a member’s personal interests may be inconsistent, or the performance of the specific role or responsibilities by the individual within the Medical Staff would be, or has the appearance of being, inconsistent with applicable Hospital or Medical Staff Bylaws or policies as determined by the MEC.
3. Membership on another hospital or health care provider’s medical staff or panel, as a member of a Group Practice or as a panel provider with a non-affiliated health plan shall not be considered as a Conflicting Interest.
4. Contractual arrangements that do not appear to be directly relevant to the proposed role of the individual (e.g., part time emergency department work, call coverage payments) should not, absent other circumstances, be viewed as “Significant.”
5. Candidates for leadership roles shall disclose litigation against the Hospital or Affiliate in which they are a party. Being a party to litigation against the Hospital or Affiliate is not an automatic conflict of interest. Litigation that does not appear to be directly relevant to the proposed role of the individual (e.g., real estate or other non-health care services delivery) or where the individual proposed for a particular role is not a named party (but rather a member of a Group Practice whose compensation would not be affected by the outcome of the litigation) are

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factors to be considered in determining whether the individual should be recused from participation in a particular matter.

REFERENCES

All forms, documents, etc. associated with this Policy, are available on the Medical Staff Office share-drive: F:\VOL1\POLICY & PROCEDURES