

Phoebe Putney Health System, Inc.

POLICY TITLE: CONFLICT OF INTEREST

ENTITY: PPHS

Approved by: PPHS Board of Directors

Effective Date: 2/25/15

Review Period: 3 Years

Review Date: 7/29/21

Contact Information: Compliance and Ethics Department

Scope: This policy applies to the Phoebe Putney Health System, Inc. ("PPHS") and all of its affiliates.

Purpose: The purpose of this policy is to outline regulations and guidelines for the conduct of business in a manner that supports and protects corporate integrity and welfare, and for the appropriate disclosure of conflicts.

Definitions:

- **Certifying Person:** Any person who is required to complete a Conflict of Interest Disclosure Form. Such individuals will include: officers, Senior Vice Presidents, Vice Presidents, all employees in Leadership Positions (defined for the purposes of this Policy as Managers and above), Physicians, Advanced Practice Professionals (APP), those on committees that recommend or approve formularies or the purchase of medical devices, supplies, and equipment, members of the Board of Directors, and employees with direct involvement with the procurement function.
- **Covered Person:** Any employee or independent contractor of PPHS or its affiliates and including Certifying and Non-Certifying Persons.
- **Family Members:** For the purpose of this Policy, any person related to the Certifying Person by blood or marriage, including, but not limited to an employee's spouse, parents, children, siblings, and/or in-laws, wherever they reside, as well as any person(s) sharing the same living quarters.
- **Non-Certifying Person:** Any Covered Person who is not required to complete a Conflict of Interest Disclosure Form.
- **Phoebe Putney Health System, Inc., or Organization, or PPHS:** Phoebe Putney Health System, Inc., and all business entities owned or controlled, either directly or indirectly, by Phoebe Putney Health System, Inc.
- **Vendor:** An individual or organization that conducts business with, has a contract with, or is a supplier or provider of services to PPHS or a PPHS affiliate, or who indicates an interest in doing so.

- **Supplier:** An individual or organization that conducts business with, has a contract with, or is a supplier or provider of services to PPHS or a PPHS affiliate, or who indicates an interest in doing so, **and** with whom a Covered Person:
 - Has a Financial Interest;
 - Is a director or officer of; or
 - Has any personal contract or agreement for compensation for services, or understanding or employment of any kind.

- **Financial Interest:** A Financial Interest includes income or other remuneration, as well as investments and ownership interests in excess of 5% of the total interest. It does not include stocks, bonds, and other securities sold on a national exchange; mutual funds; or certificates of deposits and other depository accounts at financial institutions (i.e. personal checking and savings accounts).

Policy:

A “Conflict of Interest” will be considered to exist in any instance where the actions or decisions of a Covered Person, when acting on behalf of a PPHS affiliate, also involves obtaining an improper gain or advantage or results in an adverse effect on PPHS’ interests or might appear to influence the objectivity of that person in carrying out his/her official duty to PPHS. Conflicts of interest may also arise in other instances.

All Covered Persons are expected to avoid actual impropriety and/or the appearance of impropriety which might arise from the influence of those activities on business decisions of PPHS or a PPHS affiliate or from disclosure or private use of business affairs or plans of PPHS or a PPHS affiliate. All conflicts of interest, or potential conflicts of interest, shall be disclosed on the Conflict of Interest Disclosure Form. The Conflict of Interest Disclosure Form (“Form”) provides Covered Persons the opportunity to disclose any items of concern.

Procedure:

This Policy describes specific guidelines regarding certain conduct or activities. They are provided to describe a non-exhaustive list of guidelines for use by PPHS Covered Persons.

On an Annual Basis all Covered Persons will be required to complete a Conflict of Interest Disclosure Form which is listed on the Phoebe Portal. When in doubt, the Chief Compliance Officer always recommends disclosure on the Form. The Disclosure Form will be collected electronically through SmartSheet and certifies that the signatory has read the policy and has disclosed any known conflicts as described in the policy. Phoebe Board members will satisfy this disclosure requirement through the annual 990 Questionnaire process.

Conflict of Interest Sub-Committee Process:

Employees, vendors and Board members will complete the COI disclosure process annually or more often if conflict arises, via the Phoebe portal or through Purchasing. This information will transfer to COI smartsheet which is maintained by the Compliance and Ethics Department. The Committee will be comprised of Senior Leadership who will review the conflicts and make the determination if further analysis is required or if the mitigation plans are sufficient.

- **For Disclosed conflicts**
 - Compliance and Ethics Department will prepare for the quarterly sub-committee meetings by determining department and reporting structure for all conflicts disclosed. This will be done through API, HRP or other systems, and/or contact employee to determine if there is a conflict.

- **Committee will vote to approve or reject mitigation plans**
 - The Committee will approve as-is unless recommendations for further analysis or mitigation plan is necessary.
 - Committee to recommend mitigation plan and will propose the plan to the employee and supervisor.
 - If any changes to the recommended mitigation plan are requested by the employee or supervisor a notification will be sent to the Committee for approval and/or discussed at next scheduled meeting if necessary.
 - In the event of Committee disagreement, the final decision will be escalated to the Health System CEO or CAO for final approval of mitigation plan.

- **Committee members who have a conflict of interest**
 - Members will recuse themselves from voting for disclosures and mitigation plan for those which they have a conflict.

- **Compliance Department will:**
 - Own the collection of forms, aggregation, and reporting
 - Follow up of all disclosed Conflict of Interests
 - Update the COI forms annually and make available on the portal and with Purchasing Department
 - Update and maintain smartsheet and electronic records

- **Closure**
 - Final email will be sent to employee and supervisor informing them of the decision or if additional information is necessary. Response from employee and supervisor required to acknowledge and agree to mitigation plan.

Regulations and Guidelines:

Conflicts of Interest

1. While not all inclusive, the following will serve as a guide to the types of activities by a Covered Person or Family Member, which might cause Conflicts of Interest:
 - a. Ownership or Financial Interest in, or employment by, any outside concern which does business with PPHS or a PPHS affiliate. This does not apply to stock held in a publicly held corporation, provided the value of that stock does not exceed five percent (5%) of the Covered Person's net worth.
 - b. Personal business with any Supplier, agency or any of their officers or employees.

- c. Representation of PPHS or a PPHS affiliate by a Covered Person in any transaction in which he, she or a Family Member has a Financial Interest.
 - d. Disclosure or use of confidential information, PHI, special or inside information of or about PPHS or a PPHS affiliate, its patients, its employees or its operations without proper authorization.
 - e. Competition with PPHS or a PPHS affiliate by a Covered Person, directly or indirectly, in the purchase, sale or ownership of property rights or interest or business investment opportunities.
2. No Certifying Person shall be a director, officer or consultant of a competitor of PPHS or a PPHS affiliate, nor permit his or her name to be used in any fashion that would tend to indicate a business connection with such organization.
 3. Participation on boards of directors/trustees
 - a. A Covered Person must obtain approval from the President or Senior Vice President prior to serving as a member of the board of directors/trustees of any organization whose interest may conflict with those of PPHS or a PPHS affiliate. A Covered Person must disclose all board of directors/trustees activities whose interests may conflict with those of PPHS or a PPHS affiliate on the Form.
 - b. A Covered Person who is asked, or seeks to serve on the board of directors/trustees of an organization whose interest would not impact PPHS or a PPHS affiliate, (for example, civic, charitable, fraternal and so forth) will not be required to obtain approval of the President or Senior Vice President. Such service is not required to be reported on the Form.
 - c. All fees/compensation (other than reimbursement for expenses arising from board participation) that are received for service on any non-PPHS Board provided during normal work time shall be paid directly to PPHS or a PPHS affiliate.
 - d. PPHS and its affiliates retain the right to prohibit membership on any boards of directors/trustees where such membership might conflict with the best interests of PPHS and its affiliates.

Because it is not possible to list all situations or relationships that might create conflicts of interest, Covered Persons should promptly disclose to their appropriate Senior Vice President and the Chief Compliance Officer any circumstances that might constitute violation of these guidelines. Covered Persons are encouraged to obtain assistance from the Compliance and Ethics Department to determine if a conflict exists.

Certification on the Conflict of Interest Disclosure Form

Each Covered Person within PPHS and its affiliates shall read this Policy and annually and complete the Conflict of Interest Disclosure Form. The Chief Compliance Officer will annually submit a report to the Audit Committee of PPHS summarizing all Conflict of Interest Disclosure Form submissions.

Bribes/Kickbacks

No funds or other property of the organization shall be used to bribe, or attempt to bribe, any decision, action, or inaction by any public official, employee, agency or organization. Any Covered Person who believes that there has been an attempt at bribery is obligated to report his or her suspicion to the Chief Compliance Officer.

False or Misleading Information

No Covered Person shall intentionally make any false or misleading statement to any patient, person or entity doing business with PPHS or one of its affiliate, about other patients, persons or entities doing business with or competing with PPHS or a PPHS affiliate, or about the products or services of such persons or entities.

Gifts

Covered Persons and Family Members may not solicit or accept cash or gifts of any value in the form of trips, discounts or other tangible benefits that would suggest or create an obligation from employees, suppliers or any person whom they contact during the course of normal business.

7. Reasonable gifts of nominal value may be accepted from present or prospective Vendors or Suppliers but generally must not exceed, unless otherwise dictated by law, \$50.00 in aggregate value from any one Vendor or Supplier in any one calendar year.
3. All offers of gifts exceeding \$50.00 in value must be reported, in writing to your Senior Vice President and the Chief Compliance Officer within two days of the offering of the gift.
4. PPHS and PPHS affiliates reserve the right to require a Covered Person to return any gift, regardless of the reported value.
5. Assets of PPHS and its affiliates shall not be used to provide gifts, personal favors or benefits to others, except for lawful and reasonable business-related expenses.

Travel and Lodging

Travel and/or lodging for a Covered Person may not be accepted from, or be reimbursed by, a Vendor or Supplier unless pursuant to a pre-approved, negotiated contract. All business travel will be at the expense of PPHS or a PPHS affiliate according to its established business travel policy. Under no circumstances may a covered person accept travel or lodging from a Vendor or Supplier for a Family Member

Employee Discounts

The acceptance of any merchandise or service discount by a Covered Person from a Supplier is a violation of this policy, except for those expressly negotiated on behalf of the employees of PPHS or an affiliate.

Direct Purchases from Vendors or Suppliers for Personal Use

Purchases from Vendors Suppliers (and discounts associated with such purchases) that are for personal use shall be permitted only when they are available to all employees.

Receipts of Samples and/or Free Goods

While receipt of free goods from Vendors or Suppliers is discouraged, it is recognized that it is necessary to receive sample products from a supplier for trial and evaluation. The procedures for the receipt, use, disposal and return of samples are addressed in the Materials Management policy.

Promotions and Contests

Participation with a Vendor or Supplier in a promotion or contest that results in personal gain/loss is not permitted.

Meals, Refreshments and Entertainment

Occasional off-site business meals are permitted under this Policy. A Vendor or Supplier may pay for an off-site meal for a Covered Person if the purpose of the meal is to discuss business with the Supplier. A Vendor or Supplier may pay for an off-site meal for a Covered Person if such meal is provided during a pre-approved educational presentation. A Vendor or Supplier may pay for a meal for a Covered Person(s) at a PPHS affiliate location if the Vendor or Supplier is providing legitimate, pre-approved education to the Covered Persons while on-site at a PPHS affiliate. Meals must be reasonable and appropriate and all requirements of PPHS policies must be met. Meals provided by Vendors or Suppliers during pre-approved educational presentations are not subject to the annual \$50.00 limit.

Occasional business entertainment paid for by a Vendor or Supplier is permitted if it does not exceed \$50.00 in value for the calendar year and is for purposes of discussing business.

In no event may Covered Persons solicit meals and entertainment from Vendors or Suppliers.

Additional guidelines apply to Physicians. Please see the PPHS Policy Business Courtesies to Physician's and Immediate Family Members for guidance.

Honoraria for Speeches and Articles

Honoraria opportunities for PPHS and PPHS affiliate Covered Persons must be conducted on an individual's own time and must not conflict with an individual's job responsibilities, unless requested by PPHS and PPHS affiliates to do so during the normal work hours of the presenting person. Coverage of job responsibilities will then be arranged by the department manager if such is needed. Each honoraria opportunity will be considered on an individual basis and must have the documented, advance approval of the President or Senior Vice President.

Honoraria for speeches and articles given or prepared by a Covered Person may be retained by him or her unless: 1) his or her speech or article is prepared at the specific direction of PPHS or a PPHS affiliate or 2) there is an agreement to the contrary with the Covered Person. In such case, any honoraria will revert to PPHS or a PPHS affiliate.

Services of Other Employees and Independent Contractors

A Covered Person may not use the services of any of his or her subordinates for personal purposes. In

addition, a Covered Person will not use, for personal purposes, the services of any person that contracts with or is employed by PPHS or a PPHS affiliate except in return for payment which is equivalent to the amount which would be paid by an independent third party who has no relationship of any kind or nature with such person.

Organization Property

A Covered Person will not use the equipment, supplies, funds, or other property of PPHS or its affiliates for personal use, unless such use is incidental to business use (e.g. accessing internet with laptop computer).

Transactions in Property

Notwithstanding any other provisions of this policy, a Covered Person will not purchase, lease or otherwise acquire equipment, supplies, other goods or other property of any kind through PPHS or a PPHS affiliate, if the purpose or result of such acquisition is to avoid payment of income, sales, use or other taxes.

Outside Employment and Business Activities/Consulting

Consulting opportunities for Covered Persons must be conducted on an individual's own time and must not conflict with an individual's job responsibilities. Each consulting opportunity for a Covered Person will be considered on an individual basis and must have the advance approval of the President or Senior Vice President. Covered Persons are prohibited from working as a business where such work conflicts with a Covered Person's ability to perform his or her job at PPHS or a PPHS affiliate, or where the Covered Person is in any way soliciting business for the other employer while working for PPHS or a PPHS affiliate.

1. All names, addresses and other identification of employees, customers, suppliers and contractors are property of PPHS and PPHS affiliates, and shall not be used or disclosed to any other person, except in the regular course of employment.
2. It is required that Certifying Persons who hold employment elsewhere disclose the relationship on the Conflict of Interest Disclosure Form annually.
3. Any Covered Person operating an enterprise (i.e., part-time business) for personal profit shall comply with the Solicitation, Distribution and Loitering Policy.

Dealings with Current or Former Employees or Directors

Caution should be used when consideration is given to entering into any financial arrangement with a current or former trustee or current or former employee. Any hint of preferential treatment should be avoided, and the nature of the proposed arrangement should be fully disclosed on the Conflict of Interest Disclosure Form. When in doubt, disclosure is always preferable.

Supplier Non-Obligation

It is the policy of PPHS and its affiliates to conduct its business with Vendors and Suppliers (at the highest level of professionalism. To this end, PPHS and its affiliates will take all reasonable steps to avoid conflicts of interest, and the appearances thereof.

Conflicts of interest include any circumstances where the actions or decisions of PPHS and its affiliates involve obtaining an improper gain, advantage, result, or expectation of performance aside from that which PPHS and its affiliates has contracted for at "arms length". Accordingly, there is no obligation or expectation of performance by Vendors and/or Suppliers on behalf of PPHS and its affiliates beyond that which is contracted for by an authorized representative of PPHS and its affiliates.

Policy Violations

Alleged violation of this policy and provisions are to be reported to the Covered Person’s Senior Vice President and the Chief Compliance Officer.

1. Incidents of alleged policy violations will be treated as follows:
 - a. The Compliance and Ethics Department will ensure all data necessary to conduct an investigation is obtained and reviewed in an impartial manner.
 - b. Facts will be assembled and reviewed with the Covered Person’s supervisor/department head and/or the Senior Vice President of Human Resources (or designee).
2. The investigation and resolution of suspected Policy violations must be given priority over other responsibilities of management involved.
3. In the event that disciplinary action is required, such action will be administered in accordance with the provisions of the Discipline Policy for non-management employees, or Management Support of Organizational Mission Policy for management employees (see the following policies – D-1 Discipline Policy, or Management Support of Organizational Mission).

References:

Phoebe Putney Health System, Inc. Code of Conduct

Conflict of Interest Form

<http://phoebeconnect/sites/compliance/Lists/Links/AllItems.aspx?RootFolder=%2Fsites%2Fcompliance%2FLists%2FLinks%2FConflict%20of%20Interest%20Forms&FolderCTID=&InitialTabId=Ribbon%2EListItem&VisibilityContext=WSSTabPersistence>

REVISION HISTORY

Revision Number	Description of Changes	Approvals	Date
0	Initial release of Policy for PPHS Policy Management System (Compliance 360 Program). This policy replaces all previous versions.	Executive VP/COO through the designated Compliance 360 Policy Approval Path	2/25/15

N/A	Reviewed – No Changes	Compliance Department	3/6/18
1	<p>Changes were made to the Policy in the following sections:</p> <p>Definitions:</p> <ul style="list-style-type: none"> ▫ Certifying Person: Revised the definition of Certifying Person. ▪ Supplier: Under this section, added “and with whom a covered person: <ul style="list-style-type: none"> ○ Has a Financial Interest ○ Is a Director or Officer of; or ○ Has any personal contract or agreement for compensation for services, or understanding or employment of any kind. ▫ Added Financial Interest under Definitions Section <p><u>Under Policy Section:</u></p> <p>3 a. Added “ A covered person must disclose all board of directors/trustees activities whose interests may conflict with those of PPHS or a PPHS affiliate on the Form.”</p> <p>3 b. Added sentence at the end, “Such service is not required to be reported on the Form.</p> <p><u>Under Gifts Section:</u></p> <ol style="list-style-type: none"> 1. Changed amount from \$100.00 to \$50.00 as the aggregate value that a covered person may receive in reasonable entertainment and gifts in nominal value from any one supplier in any one calendar year. 2. Change value of gifts required for reporting from \$100.00 to \$50.00. 3. Removed Sentence # 3 requiring reporting of the offer of gifts if the employee declined to accept the gift. 	Phoebe Health System Board	7-11-19

	<p><u>Under Travel and Lodging</u></p> <p>Revised entire section and removed the exceptions listed where a covered person could accept travel and/or lodging from a supplier.</p> <p><u>Meals, Refreshments & Entertainment</u></p> <p>Revised this section to outline specific guidelines when suppliers are allowed to pay for a covered person's meal.</p> <p>Added dollar amount of \$50.00 as the amount that cannot be exceeded for the calendar year for occasional business entertainment provided by the supplier for the purposes of discussing business with a covered person.</p> <p>Added, "In no event may covered persons solicit meals and entertainment from Suppliers."</p> <p>Added, "Additional guidelines apply to Physicians. Please see the PPHS Policy Business Courtesies to Physician's and Immediate Family Members for guidance.</p>		
1	<p><u>Under Policy</u></p> <p>Changed the following statement in the second paragraph to Covered Persons. <i>The Conflict of Interest Disclosure Form ("Form") provides Covered Persons the opportunity to disclose any items of concern.</i></p> <p>Removed statement: Additionally, any Covered Person who may have a potential conflict is required to complete a Conflict of Interest Disclosure Form at the time such potential conflict arises.</p> <p><u>Under Certification on the Conflict of Interest Disclosure Form</u></p> <p>Changed first sentence to Covered Person.</p> <p>Removed President, the Finance Committee of PPHS from the annually submitted report.</p> <p>Removed second paragraph</p>	Compliance and Ethics Department Director and Manager	6/01/21
1	<p><u>Under Procedure</u></p> <p>Added: Phoebe Board members will satisfy this disclosure requirement through the annual 990 Questionnaire process.</p> <p>Added: Conflict of Interest Sub-Committee Process</p>	Phoebe Health System Board	8/4/21