

**ANTELOPE VALLEY HOSPITAL
COMPLIANCE & INTEGRITY PROGRAM POLICY & PROCEDURE MANUAL**

POLICY NUMBER: CIP.III.G

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SUBJECT: CONFLICTS OF INTEREST

REFERENCE(S): California Code of Regulations, Title 2, Division 6, Sections 18110-18997
The Joint Commission
The Political Reform Act of 1974, Version 2016

PURPOSE: To establish standards for the description, identification and procedures addressing conflicts of interest.

AFFECTED AREAS/DEPARTMENTS: All Board Members, Contracted Employees, Employees, Medical Staff, Vendors and Volunteers of the district as defined below.

POLICY:

I. DEFINITIONS:

- A. *Conflicts of interest* are situations in which the Antelope Valley Healthcare District (district) as a whole, or individual representatives of the district, have competing professional or personal obligations, or personal or financial interests that would make it difficult for the district or the individual(s) to fairly fulfill the mission, vision, values and goals of the district.

Conflicts of interest may include, but are not limited to, relationships, associations or business dealings with vendors, suppliers, other healthcare organizations or individuals.

- B. For the purposes of this policy, a *relative* is defined as a:
1. spouse, partner or similar relationship;
 2. children, grandchildren, or great grandchildren (and their spouses/partners);
 3. siblings;
 4. parents, grandparents, great grandparents or legal guardians;
 5. cousins, nieces, nephews, aunts or uncles; and/or
 6. step and in-law relatives of the above listed categories.
- C. An *affected individual*, for the purposes of this policy, is defined as any employee, affiliate, board member, medical staff member, volunteer, vendor or contracted employee who has a duty to report and disclose any conflicts of interest, regardless of their decision making authority.
- D. The *district* includes not only the Antelope Valley Healthcare District but also all of its facilities, such as Antelope Valley Hospital, Antelope Valley

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Home Care and Antelope Valley Outpatient Imaging Center (AVOIC).

II. CONFLICTS TO CONSIDER:

It is not possible to list all activities that could create conflicts of interest in the workplace. However, the below activities are some examples that could create a conflict of interest and are therefore prohibited, unless the district determines, after full disclosure, that the activity will not tend to influence the action of the affected individual in question.

- A. Owning or having any substantial interest in, or having any personal contract or arrangement with, any firm or individual doing or seeking to do business with the district.
- B. Seeking, accepting or offering any payment, service or gift from or to any firm or individual doing or seeking to do business with the district.
- C. Conducting business on behalf of the district with any relative.
- D. Providing direct medical care for any person with whom they are related or have a vested interest in the care given.
- E. Being in a position that enables an individual to influence the award of any agreement or any competing agreement when concurrently employed by Los Angeles County. No spouse or economic dependent of any such individual, who has any direct or indirect financial interest in the agreement, shall be employed in any capacity by the district.
- F. Participating in any other activity that is **perceived** as being a conflict of interest.

III. DUTY TO REPORT/DISCLOSE:

- A. All affected individuals have a duty to disclose any and all potential conflicts of interest by completing the Conflicts of Interest Disclosure Form within 30 days of election, hire, engagement, promotion or appointment to a role covered in the affected individual definition.
- B. All affected individuals are required to complete the Conflicts of Interest Disclosure Form on an annual basis for the duration of their service to the district.

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- C. All affected individuals, regardless of their position or decision making authority, have a duty to disclose any actual, perceived, or potential conflict of interest immediately after there is an applicable change in the individual's status by submitting the Conflicts of Interest Disclosure form to and notifying the Compliance Officer.

IV. DETERMINING WHETHER A CONFLICT OF INTEREST EXISTS

All disclosed conflicts of interest, including potential conflicts of interest, shall be reviewed and researched by the Compliance & Integrity department to determine if a conflict of interest exists based on state and federal legal regulations and requirements.

V. ADDRESSING A CONFLICT OF INTEREST

- A. If the Compliance & Integrity department determines that a conflict of interest does exist, the Compliance Officer shall report these to the Compliance Oversight Committee of the Board and work with the employee's department and appropriate executive to make a final decision on the disclosure and then communicate the decision to the employee originating the disclosure.
- B. The Compliance & Integrity department shall review all disclosure forms submitted during the annual review period and on a situational basis and provide a decision within 30 days of submission.
- C. An affected individual will not be eligible for employment with the district where potential problems of supervision, safety, security or morale, or conflicts of interest exist. If two current employees become related as defined in I.B. above, and the potential problems noted previously exist, only one of the board members, senior managers, and leaders of the organized medical staff or employees will be permitted to stay with the district, unless reasonable accommodations can be made to eliminate the potential conflict(s).
- D. Regardless of any fiduciary relationship with any healthcare provider (licensed clinical practitioner, vendor, educational institution, payer, outside resource agency, etc.), the district and its representative staff (including medical staff) will strive to provide optimum care to patients following appropriate utilization of resources standards. Care provided to patients will not be dependent upon financial relationships or fiduciary responsibilities.

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1. Tests, studies, treatments or procedures deemed usual and routine in the diagnosis, management or treatment of disease processes, as standard in the healthcare community, will not be withheld from any patient (unless the patient exercises his/her patient right to refuse treatment).
 2. Any healthcare provider, who feels there is a conflict of interest in patient management and their relationship with the district, must contact administration and notify the Chief Executive Officer (CEO) immediately.
 - a. Discussion at the administrative level will be initiated, whereby problem resolution will be the primary goal. In the interim, the chief of the service/department with jurisdiction over the medical staff member/allied health professional will arrange for coverage of the patient until resolution has been reached.
 - b. If resolution cannot be reached at the administrative level, the matter will be forwarded to the district Board of Directors, who will meet as soon as practicable; however, no later than one week after notification of the issue. The Board's primary purpose is to assure that optimum patient care and treatment is provided, regardless of fiduciary relationships, while maintaining a fair and just review of all circumstances surrounding the conflict. The determination of the Board of Directors will be final.
- E. No contract or transaction entered into by the district shall be affected by the fact that a director, member or officer of the Board, or a member of the executive management team was personally interested in the contract or transaction, or was personally interested in or a director or officer of a corporation that was personally interested in the contract or transaction.

A member of the Board of Directors, or a member of a board committee, when called upon to cast a vote for or against a matter which personally involves such individual, shall disclose himself/herself ineligible to vote on the grounds of a conflict of interest.

In cases where conflict of interest is not clearly apparent, or when such conflict is not declared by a person who in the opinion of other members has potential conflict, the conflict of interest issue may be brought before the Board, who will vote on such issue to determine whether or not a

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conflict of interest exists.

- F. Should there become known, at any time, a conflict of interest between any member of the Board of Directors, medical staff, hospital staff or other healthcare providers and the district or any of its agents, the individual(s) may excuse himself/herself from discussions and/or determinations with the identified healthcare provider(s).

VI. AUDITING AND MONITORING

The Compliance & Integrity department will routinely review existing relationships and employees' relationships, with other care providers, educational institutions and payers to ensure that all relationships are within law and regulation and to identify and determine if conflicts of interest exist.

VII. VIOLATIONS OF THIS POLICY

It is the policy of the district to take appropriate disciplinary actions for individuals who violate this policy as well as state or federal laws or regulations. If an individual is found to have violated this policy, the district's policy on disciplinary actions for violation of compliance standards will be implemented.

VIII. RECORDS RETENTION

Disclosure statements are maintained in the Compliance & Integrity department for a period of 6 years.

IX. GUIDANCE AND ENFORCEMENT

- A. Education about this policy and the submission of the Conflicts of Interest disclosure form shall be completed by every affected individual at the time of appointment, election or hiring, and annually thereafter.
- B. The Compliance Oversight Committee of the Board of Directors of the district is vested with ultimate authority and responsibility to determine the applicability of this policy to any set of facts that may arise and to determine any steps that should be taken to correct a situation deemed not in the best interests of the district including, if deemed appropriate, disciplinary action.

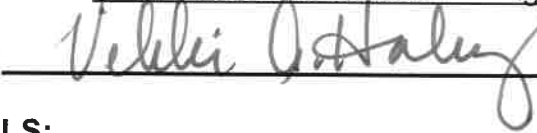
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RESPONSIBILITY FOR REVIEW AND MAINTENANCE OF THIS POLICY IS
ASSIGNED TO: Chief Executive Officer or designee

Signature: 

DATE: 2/22/17

APPROVALS:

Hospital Compliance Committee

DATE: 01/11/17

Compliance Oversight Committee of the Board

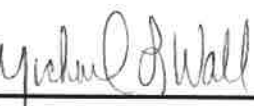
DATE: 02/09/17

Medical Executive Committee

DATE: 12/12/16

Board of Directors

DATE: 02/22/17

REVIEWED AND APPROVED: 
Michael L. Wall, CEO

3/1/17
Date

EFFECTIVE DATE: 11/76

REVISED DATES: 06/01/11; 06/26/13; 02/23/17

REVIEW DATES: 06/11; 06/13; 10/14; see Policy Manager

CROSS REFERENCE(S):

Administrative policy LD.14 entitled GOVERNING BODY AND MANAGEMENT
BYLAWS

Compliance & Integrity Program Manual policies –

CIP.I entitled CODE OF CONDUCT

CIP.II entitled COMPLIANCE & INTEGRITY PROGRAM

CIP.III.E entitled GIFTS AND OTHER CONSIDERATIONS

CIP.III.O entitled DISCIPLINARY ACTIONS FOR VIOLATION OF
COMPLIANCE STANDARDS

- ATTACHMENT(S): A. Conflict(s) of Interest Disclosure Form
B. Conflicts of Interest Code of Antelope Valley Healthcare
District

*Supersedes Compliance & Integrity manual policy CIP.III.G.1 entitled CONFLICT OF
INTEREST INVOLVING LICENSED INDEPENDENT PRACTITIONERS AND/OR
EMPLOYEES*

**ANTELOPE VALLEY HEALTHCARE DISTRICT
CONFLICTS OF INTEREST
ACKNOWLEDGMENT AND DISCLOSURE FORM**

INSTRUCTIONS: Complete the questionnaire in its entirety. For any questions regarding this form, contact the Compliance Officer at 661-949-5531.

“Business relationships” includes: a contract, a vendor, a service provider, a supplier, a grant or sponsorship relationship, a competitor, or a post-acute care provider of Antelope Valley Healthcare District (AVHD) or Antelope Valley Hospital.

Examples of business relationships: competing hospitals, local medical groups, outpatient clinics/offices, skilled nursing facilities, board and care, home health agencies, staffing agencies, ambulance companies, etc.

“Family members” include: spouse, partner or similar relationship; parent; child; grandparent; grandchild; sibling and step and in-law relatives of the above categories.

1. Are you or have you ever been a board member or officer of an organization that has a business relationship with AVHD?

Yes_____ No_____

If yes, please define:_____

2. Do you share ownership of an organization that has a business relationship with AVHD? Ownership means voting power in a corporation, profits interest in a partnership, or beneficial interest in a trust.

Yes_____ No_____

If yes, please define:_____

3. Do you or a family member work for an organization that has a business relationship with AVHD? Yes_____ No_____

If yes, please define:_____

4. Have you received, directly or indirectly, any gifts or favors in your capacity from any person/organization that has a business relationship with AVHD or is seeking a business relationship with AVHD?

Yes_____ No_____

If yes, please define (Description of gift/favor, its value, and the name/title/organization of the person who provided it, and the disposition of the gift/favor):

If yes, are you in the position to make decisions or influence the decision to make a purchase, enter into or renegotiate a contract, or refer business to this person/organization?

Yes_____ No_____ Not Applicable_____

5. Do you have a family member that also works at AVHD? Yes_____ No_____

If yes, identify name/position/department of your family member:_____

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6. Do you directly supervise a family member or does a family member supervise you in your work at AVHD? Yes_____ No_____

If yes, identify name and position of your family member:_____

I hereby acknowledge that I have reviewed the policy [CIP.III.G entitled CONFLICTS OF INTEREST](#) and agree to:

- Comply with its terms
- Not pursue for personal gain any opportunities that arise from my knowledge of or access to confidential, proprietary information acquired through my relationship with AVHD.
- Disclose the existence and nature of any interest and relationship that may result in an actual, perceived or potential conflict of interest
- Abstain from participating in and recuse myself from any discussions and decision making on matters where I have an actual, perceived or potential conflict of interest.
- Abstain from participating in and recuse myself from any board, committee or other meeting which discusses or votes on matters where I have an actual, perceived or potential conflict of interest.

I also certify that the information set forth above is true and complete to the best of my knowledge and that I will make further disclosures as my personal interests change.

Printed Name

Position/Title

Facility/Department

Signature

Date

SUBMISSION OPTIONS

- Interoffice Mail addressed to Compliance & Integrity
- External Mail addressed to Compliance & Integrity 44241 15th Street West, Suite 301 Lancaster, CA 93534
- FAX: 661-951-4253
- e-mail:compliance.officer@avhospital.org

ATTACHMENT B
Compliance & Integrity Program Policy CIP.III.G

Conflict of Interest Code
of the

ANTELOPE VALLEY HEALTHCARE DISTRICT

Incorporation of FPPC Regulation 18730 (2 California Code of Regulations, Section 18730) by Reference

The Political Reform Act (Government Code Section 81000, *et seq.*) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. 18730), which contains the terms of a standard conflict of interest code. After public notice and hearing, it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730, and any amendments to it duly adopted by the Fair Political Practices Commission, are hereby incorporated into the conflict of interest code of this agency by reference. This regulation and the attached Appendices (or Exhibits) designating officials and employees and establishing economic disclosure categories shall constitute the conflict of interest code of this agency.

Place of Filing of Statements of Economic Interests

All officials and employees required to submit a statement of economic interests shall file their statements with the agency head; or his or her designee. The agency shall make and retain a copy of all statements filed by its Board Members, and the Chief Executive Officer and forward the originals of such statements to the Executive Office of the Board of Supervisors of Los Angeles County.

The agency shall retain the originals of statements for all other Designated Positions named in the agency's conflict of interest code. All retained statements, original or copied, shall be available for public inspection and reproduction (Gov. Code Section 81008).

ATTACHMENT B
Compliance & Integrity Program Policy CIP.III.G

ANTELOPE VALLEY HEALTHCARE DISTRICT

EXHIBIT "A"

CATEGORY 1

Persons in this category shall disclose all interest in real property within the jurisdiction. Real property shall be deemed to be within the jurisdiction if the property or any part of it is located within or not more than two miles outside the boundaries of the jurisdiction or within two miles of any land owned or used by the agency.

Persons are not required to disclose a residence, such as a home or vacation cabin, used exclusively as a personal residence; however, a residence in which a person rents out a room or for which a person claims a business deduction may be reportable.

CATEGORY 2

Persons in this category shall disclose all investments and business positions.

CATEGORY 3

Persons in this category shall disclose all income (including gifts, loans, and travel payments) and business positions.

CATEGORY 4

Persons in this category shall disclose all business positions, investments in, or income (including gifts, loans, and travel payments) received from business entities that manufacture, provide or sell service and/or supplies of a type utilized by the agency and associated with the job assignment of designated positions assigned to this disclosure category.

CATEGORY 5

Individuals who perform under contract the duties of any designated position shall be required to file Statements of Economic Interests disclosing reportable interest in the categories assigned to that designated position.

In addition, individuals who, under contract, participate in decisions which affect financial interests by providing information advice, recommendation or counsel to the agency which could affect financial interest shall be required to file Statements of Economic Interests, unless they fall within the Political Reform Act's exceptions to the definition of consultant. The level of disclosure shall be as determined by the executive officer (or head) of the agency. (See footnote in Exhibit "B" for clarification.)

ANTELOPE VALLEY HEALTHCARE DISTRICT

EXHIBIT "B"

<u>Designated Positions</u>	<u>Disclosure Categories</u>
Member of the Board of Directors	1, 2, 3
Chief Executive Officer	1, 2, 3
Chief Medical Officer	2, 3
Chief Financial Officer	2, 3
Chief Operating Officer	2, 3
Chief Nursing Officer	2, 3
Chief Information Officer	4
Executive Director, Support Services	2, 3
Director Human Resources	2, 3
Director of Materials Management	4
Director of Dietary Services	4
Director of Marketing & Public Relations	4
Director of Engineering	4
Director of the Pharmacy	4
Director of Facilities	4
Consultants/New Positions*	5

ANTELOPE VALLEY HEALTHCARE DISTRICT

EXHIBIT "B" (Cont'd)

*Consultants/New Positions are included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitations:

The Chief Executive Officer or his or her designee may determine in writing that a particular consultant or new position, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with disclosure requirements in this section. Such written determination shall include a description of the consultant's or new position's duties and, based upon that description, a statement of the extent of disclosure requirements. The Chief Executive Officer's or his or her designee determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code. (Gov. Code Section 81008.)

EFFECTIVE DATE: 11/23/2016