

Status **Active** PolicyStat ID **13465065**



Origination 03/1984
Last Approved 10/2023
Effective 10/2023
Last Revised 10/2023
Next Review 10/2026

Owner Anita Talundzic:
Accreditation
Coordinator
Area Compliance
References Policy

Employee Conflict of Interest Disclosure Policy, COMP-16

Policy Statement

A conflict of interest arises when there is a divergence between an individual's private interests and their fiduciary or professional obligations, such that an independent observer might reasonably question whether the individual's professional actions or decisions are determined by considerations of personal gain, financial or otherwise.

Scope

Executive Leadership
Department Level Directors
Employed Providers (Physicians & Advance Practice Professionals)
Independent Providers in leadership positions (e.g.,
MEC, Risk Oversight, Section Chief)

General

As a non-profit entity, there exists between University of Michigan Health-West (UMHW), its Board, Officers, Executive Leadership, Employed Providers, Physician Leaders and Department Level Directors and the public a fiduciary duty of loyalty and fidelity. The identified individuals have the responsibility of administering the affairs of UMHW honestly and prudently, and exercising their best care, skill and judgment for the sole benefit of UMHW. Those persons shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with the Hospital or knowledge gained for their personal benefit. The interest of UMHW must be the first priority in all decisions and actions. As such, Officers, Executive Leadership, Employed Providers, Physician Leaders and Department Level Directors must disclose outside interests pursuant to this policy and, if an actual or potential Conflict of Interest arises, the procedures in this policy must be followed.

The purpose of the Conflict of Interest Disclosure Policy is to foster unbiased conduct when UMHW, a tax-exempt entity, is contemplating entering into a transaction or arrangement that might benefit the Interested Persons. This policy serves to educate applicable individuals as to situations that can possibly generate conflicts of interest and to provide means to disclose and manage potential or actual conflicts of interest. This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable hospitals.

Procedure

Disclosure of Conflict of Interest

Every Interested Person shall submit to the Compliance Officer in written or electronic format a Disclosure Statement which provides necessary information regarding the Interested Person's Financial and other personal interests including clinical research and procurement that could pose a potential or actual Conflict of Interest with their service to UMHW. If previously submitted, and so requested, the Compliance Officer will provide the prior year's Disclosure Statement to the Interested Person to ensure complete and full disclosure is obtained each year. Statements will be submitted annually and as necessary to disclose changes or additions.

The Compliance Officer will review each Disclosure Statement and provide a report to the UMHW Board. The appropriate committee or the full Board shall review and act on all such Disclosure Statements in order to guide the Interested Person's conduct should an issue arise.

Annual Statement Attestation

Each Interested Person shall annually sign a statement which affirms that such person:

- a. Has received a copy of the Conflict of Interest Disclosure Policy;
- b. Has read and understands the Policy;
- c. Has agreed to comply with the Policy;
- d. Understands the Hospital is charitable and in order to maintain its federal tax exemption must engage primarily in activities which accomplish one or more of its tax-exempt purposes; and
- e. Understands the Corporation is a not for profit, tax exempt directorship corporation.

Receiving Gifts or Loans

Every Interested Person should avoid accepting gifts, loans or other favors, which might appear to be given for the purpose of influencing the individual in the performance of their duties. Acceptance of business courtesies, entertainment or gifts shall be in accordance with UMHW policy. (See [Admin-32 Vendor Relations](#), [COMP-17 Gifts and Entertainment for Referral Sources](#)).

Vendor Selection

To assure UMHW, the general public and outside vendors of objective evaluations of outside proposals for the provision of goods and services, UMHW will obtain competitive bids under normal

circumstances. The decision to select a vendor for the provision of goods and services will be based upon a combination of factors (price, quality, delivery time, service and other valid considerations).

Violations of the Conflict of Interest Policy

If UMHW has reasonable cause to believe an Interested Person has failed to disclose actual or potential Conflicts of Interest, it shall inform the Interested Person of the basis for such belief and afford the Interested Person an opportunity to explain the alleged failure to disclose.

If, after hearing the Interested Person's response and after making further investigation as warranted by the circumstances, the Compliance Officer determines the Interested Person has failed to disclose an actual or potential conflict of interest, it shall take appropriate disciplinary and corrective action which may include termination of employment.

Co-Management Plan

Interested Person(s) who identifies a potential Conflict of Interest shall notify and work with their manager and/or director to create and develop a management plan to eliminate conflicts. Interested Person is required to abide by the management plan and failure to do so shall result in disciplinary actions.

A management plan for an Interested Person(s) who identifies a potential Conflict of Interest involving clinical research shall involve one or more of the following:

- Requiring divestiture or termination of relevant economic interest;
- In case of equity, imposing a bar on insider trading, or requiring the transfer of securities to an independent financial manager or blind trust, or limiting the timing of sales or distributions;
- Requiring individual recusal from a study;
- Altering participation of an individual in all, or a portion, of the research (e.g. cannot conduct data analysis, restricted from recruiting human subjects and/or conducting the informed consent process);
- Independent monitoring of the research, (i.e. independent review of data and other retrospective review for bias, objectivity, comprehensiveness of reporting (versus withholding data) (e.g. independent data and safety monitoring board);
- Independent monitoring of the consent process;
- Requiring disclosure of the conflict to institutional committees, research participants, journals, and data safety monitoring boards.

Definition(s)

Conflict of Interest – An actual, potential or perceived Conflict of Interest occurs in those circumstances where an Interested Person's judgment could be affected because the Interested Person has a personal interest, including a financial interest, in the outcome of a decision over which the Interested Person has control or influence. A personal interest can exist when an Interested Person or a member of their family stands to directly or indirectly financially gain as a result of a decision. Notwithstanding the foregoing, an ownership interest of five percent (5%) or less of the market value of publicly traded securities of an

entity whose securities are listed on a national securities exchange shall not, in and of itself, be deemed a Conflict of Interest.

Financial Interest – A person has a financial interest if the person has, directly or indirectly, through business, investment or family:

- An ownership or investment interest in any entity with which UMHW has a transaction or arrangement;
- A compensation arrangement with UMHW or with any entity or individual with which UMHW has a transaction or arrangement; or,
- A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which UMHW is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

A Financial Interest is not necessarily a conflict of interest. Under the Procedure section, an Interested Person who has a Financial Interest may have a Conflict of Interest only if the appropriate governing board or committee decides that a Conflict of Interest exists.

Interested Person – Any director, principal officer, or member of a committee with Board delegated powers, who has a direct or indirect financial interest, as defined above, including but not limited to all members identified in Scope above.

Reference(s)

IRS Sample Conflict of Interest Policy

Related UMHW Policies / Order Sets

[COMP-08: Corporate Compliance Program and Code of Conduct](#)

[ADMIN-32: Vendor Relations](#)

[MS-31: Medical Staff Bylaws](#)

Approval Signatures

Step Description	Approver	Date
Approving Committee: CCC: Anita Talundzic on behalf of CCC Chair	Anita Talundzic: Accreditation Coordinator	10/2023

Approving Committee: Corporate Compliance Committee	Monica Taylor: Chief Operating Officer - Metro Health Medical Gro	10/2023
Approving Committee: Corporate Compliance Committee	Gavin Faas: Privacy Officer	09/2023
Approving Committee: Corporate Compliance Committee	Thomas Fantin: VP - Information Technology	09/2023
Approving Committee: Corporate Compliance Committee	Bruce Carrier: Chief Human Resources Officer	09/2023
Approving Committee: Corporate Compliance Committee	Kate Veenstra: Associate Chief Nursing Officer	09/2023
Approving Committee: Corporate Compliance Committee	Pete Haverkamp: DIRECTOR PHARMACY	09/2023
Approving Committee: Corporate Compliance Committee	Tena Hoxsie: VP - Patient Financial Experience	09/2023
Approving Committee: Corporate Compliance Committee	Jeff Postlewaite: VP - Medical Affairs & Medical Education	09/2023
Approving Committee: Corporate Compliance Committee	Dana Lewis: Director - Case Management/Social Work	09/2023
Approving Committee: Corporate Compliance Committee	Greg Sieg: Contractor - Director	08/2023
Approving Committee: Corporate Compliance Committee	Melissa Greaves: Director - Health Information Management	08/2023
Approving Committee: Corporate Compliance Committee	Anita Talundzic: Compliance Coordinator	08/2023
Approving Committee: Corporate Compliance Committee	Pete VanLaan: Associate General Counsel	08/2023
Input/Review	Pete VanLaan: Associate General Counsel	08/2023

Input/Review	Joseph McNarland: Director - Procurement	08/2023
Input/Review	Kris Kurtz: Chief Operations and Finance Officer	08/2023
Input/Review	Joan Westendorp: Director - Clinical Research	08/2023
	Hector Lugo: Compliance Officer	08/2023

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