



Origination:	08/2019
Effective:	08/2019
Last Reviewed:	08/2019
Last Revised:	08/2019
Next Review:	08/2020
Sponsor:	Brian Kozik: SVP, COMPLIANCE & PRIVACY
Section:	GA-Corporate Compliance
Manuals:	

## GA-001-015 Conflict of Interest

### I. Purpose

Broward Health is a publicly funded institution with an obligation to preserve public trust and to provide an environment where workforce members at Broward Health are free from actual or perceived conflicts of interest. Broward Health has adopted this system-wide Policy for the purposes of setting forth organizational requirements and policy with respect to Conflicts of Interest; identifying those corporate entities and workforce members subject to certain requirements under the Policy; and explaining the requirements and activities associated with identifying and ethically resolving Conflicts of Interest on the part of workforce members affiliated with Broward Health.

Identification and resolution of Conflicts of Interest which may exist on the part of workforce members is required by standards promulgated by the Florida Ethics Commission, Florida Statutes, The Joint Commission, the Internal Revenue Code and Treasury Regulations governing tax-exempt organizations and by requirements placed upon providers by Medicare and Medicaid program regulations. Broward Health has adopted this Policy not only to meet the above-stated requirements, but also as a matter of corporate responsibility, sound management practice, and to afford protection, where available, in cases in which some duality of interest exists.

### II. Key Terms

**Conflict of Interest:** Occurs in any situation in which a person cannot make fair decisions because they will be affected by the results, or serves or represents two distinct entities (or persons). A “conflict of interest” in the traditional sense encompasses situations in which a person has actually neglected or breached a duty to one entity to the benefit of another, situations in which a person has used his or her position with one entity to advance personal gain or the gain of another entity, and situations in which there is a potential for breaching a duty to one entity. When this occurs, an independent observer may reasonably question whether a workforce member’s professional actions or decisions are determined or affected by considerations of personal gain or benefit, whether direct, indirect, financial, or otherwise.

Conflicts of interest include a variety of situations in which a workforce member is faced with conflicting loyalties. Traditionally of most concern are those situations in which regard for a private interest may lead to a disregard of the workforce member’s duties towards Broward Health. Frequently these arise when personal economic interests conflict with the duties towards the system. For example, a conflict occurs when a workforce member influences a decision of the system, department, or decision of a patient if a

personal economic benefit to the workforce member may arise from that decision. There may be conflict of interest when a physician procures equipment from an entity in which he or she is a spokesperson. In this situation, the physician may have the opportunity to use his or her position and influence within Broward Health to advance his or her personal economic gain.

Other conflicts may arise that inhibit the workforce member's duty of loyalty or commitment to Broward Health. These conflicts, as well as those that represent conflicting time commitments, are considered "conflicts of commitment." For example, a workforce member may enter into part-time employment with an entity which impairs his or her ability to perform their duties at Broward Health.

Conflicts may also arise even in instances where the workforce member will not receive any economic benefit from the outside activity. For example, a conflict is present if a workforce member's obligations to Broward Health are not met due to the time spent on the outside activity. The conflict exists even though the activity may not provide remuneration to the workforce member.

**Workforce Member:** Any employee, independent contractor, agent, trainee, or other person who performs work for or on behalf of Broward Health. This includes full-time, part-time, and pool employees; associates; directors; officers; managers; supervisors; members of the Board and members of standing committees; medical staff employed by or otherwise affiliated with Broward Health; medical students and all other affiliated students or others receiving training at any Broward Health facility; and others who provide goods or services to Broward Health.

**Immediate Family Member:** The term "immediate family member" is defined broadly to mean a husband or wife; birth or adoptive parent, child or sibling; stepparent, stepchild, stepbrother, or stepsister; father-in-law; mother-in-law, son-in-law, daughter-in-law; brother-in-law, or sister-in-law; grandparent or grandchild; and spouse of a grandparent or grandchild.

**Personal Interests:** Relevant activities that may not have a direct financial component, but may present an actual or apparent Conflict of Interest. Such interests may involve the workforce member or his or her immediate Family Members.

**Significant Financial Interests:** Monetary arrangements with individuals, businesses or other entities with which Broward Health has a transaction or arrangement, or is considering or negotiating a transaction or arrangement. A Significant Financial Interest is not necessarily a Conflict of Interest. Examples of Significant Financial Interests include:

- A. **Debt Interests:** Holding of debt or debt securities by an individual or Immediate Family Member in any company or entity engaged in any business or attempting to do business with Broward Health, including Research.
- B. **Equity Interests:** Ownership interest that exceeds 5% by an individual or Immediate Family Member of stock, stock options or other proprietary interests in any company or entity that furnishes goods or services to Broward Health, or leases or sells real estate or equipment to Broward Health, or is engaged in any business or is attempting to do business with Broward Health, including Research. Significant Financial Interests do not include investments in mutual funds or retirement plans, such as 401(k) or 403(b) plans, where there is no individual control over fund selections.
- C. **Publicly Traded Companies:** Cumulative equity interest valued at 5% or more of the business entity as determined by reference to publicly listed prices.

- D. **Non-Public Companies:** Any direct or indirect ownership interest that exceeds \$5,000 in any company or entity whose value cannot be determined by reference to publicly listed prices (for example, privately-held and start-up companies).

### III. Policy

1. Consistent with Broward Health's Code of Conduct, it is expected that no Workforce Member may enter into any employment, transaction, or other arrangement that may cause or be perceived to cause a conflict of interest.
  - a. Because a "conflict of interest" depends on the situation in which the workforce member is placed, rather than on the character or actions of the workforce member, a conflict of interest is not necessarily "wrong" or prohibited. Such conflicts confront workforce members at various times because of a personal, business, or professional loyalty that may be in conflict. Some conflicts, however, present a potential for a breach of one's duty to a particular employer, person, or entity that they must either be permitted with conditions, including review and oversight by other institutional representatives, or prohibited. Generally, if a conflict situation is permitted, specific management guidelines and expectations are established prior to permitting the activity or financial interest. These management plans allow for periodic review and oversight to minimize the effects of conflicts. Most conflict situations that are of concern and allowable under the law can be handled through disclosure and the setting of an appropriate management plan of the disclosure.
2. The primary purpose of the disclosures required on the Conflict of Interest and Financial Disclosures form is to identify those activities and interests that pose potential conflicts of interest. The workforce member makes the initial disclosure of an interest, and should consult with his or her supervisor to determine whether a potential conflict of interest exists. In those situations where a potential conflict of interest exists and the activity or interest is allowable under applicable law, the activity or interest may be allowed after disclosure, review and development of a management plan by the applicable administrator, management, with consultation by the Corporate Compliance Department. The oversight of the management plan is the responsibility of the applicable administrator and/or manager in consultation with the Corporate Compliance Department.
3. Broward Health requires the following outside activities and financial interests to be reported prior to engaging in the activity:
  - a. Ownership Relationships with Competitors: A direct or indirect (e.g. through an immediate family member) financial interest of greater than 5% (including ownership of stock, stock options, equity, debt, other securities, other forms of ownership interests, salary, or other remuneration for services as an employee consultant, officer, or board member) in any business or health care enterprise that produces services or products which compete with those of Broward Health.
  - b. Work Relationships with Competitors: A direct or indirect engagement (e.g. through an immediate family member) where salary or other remuneration is received as an employee, consultant, officer, contractor, or board member in any business or health care enterprise that produces services or products which competes with those of Broward Health.
  - c. Relationships with Organizations Doing Business with Broward Health: A situation in which a workforce member serves as an officer, director, employee, committee, member, advisor, agent, representative, or consultant, or in any other professional activity capacity for any company,

firm, or business that, to the best of their knowledge, does or seeks to do business with Broward Health, or in which Broward Health holds an investment interest.

- d. Employment of Relatives and Partner Relationships in the Workplace: Workforce members shall disclose any situation in which their relationship with an immediate family member results in a potential, perceived, or actual conflict of interest. A conflict of interest may be the result of a direct reporting relationship (e.g. a supervisory relationship) or an indirect reporting relationship (e.g. if one workforce member holds a position which may influence the status or compensation of an immediate family member).
4. Any workforce member engaged in an outside activity or hold a financial interest that must be reported is required to complete Broward Health's Conflict of Interest questionnaire and Financial Disclosure form prior to the commencement of the outside activity or acquiring the financial interest and annually thereafter. If a material change in the original disclosure occurs during the year, a new or updated form must be submitted. Forms will be submitted to Human Resources and the workforce member's management.
    - a. Workforce members should be aware of the following activities that may present a possible conflict of interest:
      - i. Outside activities which indicate time commitments that would interfere with a workforce member's duties.
      - ii. Outside activities which use the equipment, personnel, or other resources of Broward Health.
      - iii. Outside activities (consulting, employment, management, or other contractual relationships) with a person or entity, or financial interests in an entity that does business with Broward Health, particularly when that workforce member may influence a Broward Health decision regarding that business.
      - iv. Outside activities or financial interests in a competitor which competes with Broward Health, particularly when these are in the same field as that of the workforce member or when the workforce member has access to proprietary information to the entity.
      - v. Outside activities or interests which otherwise interfere with the workforce member's duties to the institution. These duties include the workforce member's duties to patients and the duty to protect Broward Health and fellow workforce members.
  5. Workforce members are required to maintain appropriate relationships with third parties, including patients and their families, health care practitioners, donors, suppliers, subcontractors, and competitors so no third party has an opportunity or appears to have an opportunity to inappropriately influence Broward Health decisions or activities.
  6. Certain activities outside of Broward Health may be considered to be within the scope of that workforce member's duties to Broward Health. For example, to serve on certain professional organizations or community organizations may be considered within the responsibilities of that workforce member and, if so, would not be an "outside activity" required to be disclosed. However, these activities must be approved as part of the workforce member's responsibilities and any use of Broward Health time or resources with regard to these duties must receive appropriate approval. In addition, even if the activity is considered within the scope of the workforce member's duties, that workforce member should always remain aware of conflict of interest considerations that may arise when performing work for organizations separate from Broward Health.

7. Workforce members are responsible for disclosing their own possible conflicts of interest. The necessity of disclosing certain outside activities should not obscure that the great majority of outside activities and financial interests of workforce members are compatible with Broward Health's mission, and that the requirements of an outside activities and conflict of interest policy are not meant to discourage the many valuable outside activities of workforce members.
8. Key workforce members identified by the Corporate Compliance Department are required to indicate annually and upon engagement whether, they have financial interests or are involved in outside activities that must be reported. Those required to complete annual disclosures or upon engagement will be notified of the requirement to complete the Conflict of Interest and Financial Disclosure forms. Forms will be submitted electronically.
9. A workforce member's failure to report outside activities and financial interests under Broward Health policies and procedures, Code of Ethics for State of Florida Employees, or other applicable policies or regulations are grounds for disciplinary action, up to and including termination.

**Code of Ethics for State of Florida Employees:**

Broward Health employees are subject to the Florida Code of Ethics for Public Officers and Employees found in Chapter 112 of the Florida Statutes. The Code applies to full-time and part-time Broward Health employees, and in some circumstances, may apply to non-employed Broward Health workforce members who meet the definition of a public officer or reporting employee. In some instances, these non-employed workforce members may be subject to the code depending on the circumstances and their role at Broward Health.

The Florida Code of Ethics contains several provisions that govern Broward Health employees. In formulating the Code of Ethics, the Florida Legislature stated that it "is essential for the proper conduct and operation of government that public officials be independent and impartial and that public office not be used for private gain other than the remuneration provided by law. However, the Legislature recognized that public officials and state employees should not be "denied the opportunity, available to all other citizens, to acquire and retain private economic interests except when conflicts with the responsibility of such officials to the public cannot be avoided." The Code of Ethics is designed to "protect against any conflict of interest and establish standards for the conduct of elected officials and government employees in situations where conflicts may exist."

#### IV. Procedures

##### A. Process for Disclosures

- a. Annual: All Key Workforce Members identified by the CEO, Senior Vice President, Chief Compliance Officer, in conjunction with General Counsel will be required to complete and submit an online Conflict of Interest and Financial Disclosure form annually.
- b. Incidental Disclosures:
  - i. Any changes in Significant Financial Interests or relevant Personal Interests that occur after the annual Disclosure are to be disclosed at the time of or subsequent to the event, but may be made at any time during the calendar year, so long as the changes are disclosed at least annually.

- ii. Examples of reportable changes include, but are not limited to, a new consulting arrangement, the purchase or inheritance of stock in a pharmaceutical, biotechnology, or medical device company, and the cessation of payments from an outside entity.
  - c. Contractor Disclosure: All third parties or contractors doing work with or on behalf of Broward Health will be required to complete and submit a Conflict of Interest and Financial Disclosure upon engagement. Any changes in Significant Financial Interests or relevant Personal Interests submitted will require the Disclosure form to be updated in accordance with this policy.
  - d. Medical Staff Disclosure: All Medical Staff members will be required to complete and submit a Conflict of Interest and Financial Disclosure Form upon initial credentialing and reappointment. Any changes in Significant Financial Interests or relevant Personal Interests submitted will require the Disclosure form to be updated in accordance with this policy.
  - e. Third Party Disclosure: If an individual observes a Workforce Member's activity or actions that appear to be a Conflict of Interest, the individual is encouraged first to direct that workforce member to this policy and other applicable policies, and then use the chain of command to express concern.
    - i. The Workforce Member may contact the Corporate Compliance Department directly;
    - ii. The Workforce Member may contact the Corporate Compliance Hotline;
    - iii. The identity of the person raising an issue through the Corporate Compliance Department or the Corporate Compliance Hotline may remain confidential to the extent possible, and individuals reporting in good faith are protected from retaliation in accordance with Broward Health's Non-Retaliation policy.
    - iv. Disclosures will be reviewed by the Corporate Compliance Department.
- B. How to Disclose  
All Disclosures are made by completing the online Conflict of Interest and Financial Disclosure Form or via the Vendor Registration System. Instructions for logging in are provided to each Workforce Member who has been designated to disclose. Additional instructions are provided for the completion of the electronic form.
- C. Review and Evaluation of Disclosure  
Once a Workforce Member has responded to the Disclosure questionnaire, it will be reviewed and evaluated by the Workforce Member's supervisor, in consultation with the Corporate Compliance Department. If actual or apparent Conflicts of Interest are identified in the Disclosure, the Workforce Member will be informed of the status of the review process, including the need for additional information, the need for a documented Management Plan, or the need for further review by the Committee on Conflicts of Interest.
- D. Guidelines for Allowance of Outside Activities and Financial Interests  
Broward Health recognizes that there are conflict situations which cannot be mitigated, conflict situations which may be permitted with a management plan and oversight, and outside activities that are generally allowed. The guidelines below are designed to assist Broward Health workforce members in evaluating conflict of interest situations.
  - a. Prohibited outside activities and financial interests  
Generally, most outside activities are allowed if they do not interfere with the workforce member's performance, obligations, decision-making, or do not rise to the level of a perception of a conflict of interest. However, determining whether or not a conflict of interest exists is

dependent on reviewing the facts of the particular conflict disclosed in comparison with the duties, obligations, and decision-making capabilities of the workforce member making the disclosure.

Any outside activity or financial interest which is prohibited by state law cannot be allowed. For example, prohibited under Florida law are those outside employment or contractual relationships which would create a “continuing or frequently recurring conflict” between the workforce member’s private interest and the performance of his or her duties at Broward Health or “that would impede the full and faithful discharge of his or her public duties.” For example, a physician cannot participate in a speaker’s bureau.

- b. Outside activities and financial interests may be permitted only after review, approval of the applicable supervisor, administrator/CEO, and in consultation with the Corporate Compliance Department and General Counsel with appropriate conditions if necessary.

#### E. Guidelines for Review of Reported Outside Activities and Financial Interests

- a. In evaluating whether or not a conflict of interest exists, the following factors must be evaluated:
  - 1. Name of the employing or contracting entity or individual, name of entity in which the financial interest is held, and nature of its business.
  - 2. Nature of activity or financial interest (description of equity interest or intellectual property), including time spent if an activity is involved (estimated hours per week including travel time). The source of compensation must be noted.
  - 3. Location and anticipated dates of the activity.
  - 4. Use of Broward Health time, facilities, or services in connection with the activity.
  - 5. Number of other outside activities and financial interests previously filed for the year.
  - 6. Whether the activity or financial interest was reported in the previous contractual year.
  - 7. Any other information that may also be requested in order to assure a complete review of the outside activity and/or financial interest.

A workforce member must provide sufficient information to those with the review and oversight responsibility to enable them to make an informed decision concerning the allowance of the outside activity or financial interest.

Generally, the workforce member’s supervisor, applicable administrator/CEO, in consultation with the Corporate Compliance Department, review the information provided to them from workforce member disclosures annually and on a case-by-case basis to determine whether any disclosures constitute a potential conflict of interest. If any such reviewer believes that a disclosure indicates a problematic conflict of interest, the reviewer, with assistance of the Corporate Compliance Department will attempt to resolve the matter with the workforce member at the site level or within the scope of the applicable agreement contract language.

#### F. Committee on Conflicts of Interest

If the supervisor or site administrator/CEO, after consultation with the Corporate Compliance Department, are unable to come to a satisfactory resolution on the management plan for a disclosed conflict of interest or financial disclosure, the disclosure(s) will be brought to the corporate Committee

on Conflicts of Interests for review, approval, and finalization of a management plan (if appropriate). The Committee on Conflicts of Interest will include the Senior Vice President, Chief Compliance Officer, Chief Executive Officer, and Chief Administrative Officer.

The Conflicts Committee shall have the authority to approve the relationship or activity as is, to approve the activity with conditions or monitoring, or to disapprove the relationship. The Committee on Conflicts of Interest may consider both actual and potential conflicts of interest, including the appearance of conflict, in reaching a decision. More stringent standards may be applied to workforce members with significant management or supervisory responsibilities.

After determination, the Committee on Conflicts of Interest will send the resolution to the workforce member. In addition, in its judgment, the Committee on Conflicts of Interest shall report to the Board of Commissioners through the Executive Compliance Workgroup on matters referred to it, any resulting management plans, monitoring of management plans, as well as any resolution.

#### V. Related Policies and Compliance Documents

- Broward Health Code of Conduct
- Gifts, Gratuities, and Business Courtesies, Policy No. GA-004-012

#### VI. References

### Attachments:

#### Approval Signatures

Step Description	Approver	Date
Final Approver	Brian Kozik: SVP, COMPLIANCE & PRIVACY	08/2019
	Jennifer Mosley: EXEC SECRETARY	08/2019