

Adm. Policy No: 1.19
Effective Date: March 2001

SUBJECT: Conflict of Interest

SPONSOR: Corporate Compliance

POLICY: It is the policy of Heritage Valley Health System (HVHS) that persons engaged in management of, HVHS or any subsidiary of HVHS and other employees who occupy positions in identified high risk positions are bound to discharge their duties in good faith and with undivided loyalty to the interests of HVHS. HVHS reviews potential conflicts of interest annually to ensure its responsibility to the patients and community it serves is not compromised by any professional, contractual, or other relationship.

PURPOSE: To identify and manage expectations related to potential conflict of interest.

SCOPE: This policy describes how conflict of interest process is managed for Senior Management, merit eligible management, and employees identified in identified high risk positions. The Board of Directors' Conflict of Interest policy is posted on the Board of Directors' dashboard.

DEFINITION: Not Applicable

GUIDELINES: Not Applicable

PROCEDURE: It is incumbent upon each to:

- A. Act in the course of his/her duties solely in the best interests of HVHS without consideration to the interests of any other agency, organization or association with which he/she is associated, or refrain from taking part in any transaction where such person does not believe in good faith that he can act with undivided loyalty to HVHS.
- B. Disclose any material, financial, or other beneficial interest which the employee, or a member of his/her immediate family (spouse, parents, children, brothers, sisters, spouse's parents)

may have in the delivery of goods or services to the institution or the associated corporations within HVHS.


- C. Refrain from utilizing his/her position or inside information related to the business or healthcare operation activities of HVHS, for his/her benefit or that of his/her immediate family or any entity with which he/she may be associated.
- D. Refrain from accepting a gift, gratuity, or favor from any person, firm, or corporation doing business or seeking to do business with HVHS under circumstances from which it reasonably could be inferred that the purpose of the gift, gratuity, or favor is to influence the employee in the conduct of transactions with the donor.
- E. Refrain from engaging in the sale, exchange, or leasing of property or services between HVHS and himself/herself, or an organization substantially controlled by him/her or immediate family on a basis less favorable to HVHS than on which such property or service is made available to the general public.
- F. Refrain from engaging in the furnishing of goods, services, or facilities to HVHS, unless such furnishing is made on a basis not more favorable than that on which such goods, services, or facilities are made available to the general public or employees of HVHS.
- G. Refrain from engaging in the transfer to, use by, or benefit of income or assets of HVHS, except by purchase for fair market value.
- H. Every member of, Senior Management, merit eligible management personnel, and other employees in a position where the potential to influence business decisions exists, must execute a Conflict of Interest statement annually to disclose all interests that could result in conflict. The Conflict of Interest statement for Senior Management is completed and reviewed in conjunction with the annual completion and review of conflict of interest statements for the Board of Directors. For merit eligible management personnel the conflict of interest statement is signed as part of the annual performance review.
- I. Employees with job responsibilities that provide an opportunity to influence business decisions are required to sign the Conflict of Interest form annually. Such positions

include, but are not limited to, Purchasing Agents, Case Management staff, Finance staff, members of the Value Analysis Committee, and any personnel also employed by a supplier or competitor of HVHS. This process is managed by the System Director, Corporate Compliance.

- J. Conflict of Interest statements for non-merit eligible employees are reviewed annually by the Department Director and System Director, Corporate Compliance to determine if a conflict does exist. Any potential conflicts are referred to the appropriate VP and Human Resources and legal department to confirm and resolve the conflict.
- K. Conflict of Interest statements for merit eligible employees will be reviewed by the Department Manager and VP and with a copy forwarded to the legal department. Any potential conflicts will be managed by the CEO.
- L. All Conflict of Interest documentation is maintained in the personnel's Human Resource file.
- M. Any identified conflict of interest is shared with the Board of Directors and recorded in the meeting minutes.

REFERENCES: Anti-kickback statute

Approved: March 2001
Reviewed: September 2005; September 2006; September 2007; August 2010;
October 2014
Revised: January 2004, December 2006; August 2009; August 2012;
August 2013

SIGNATURE: 
Norman F. Mitry
President & CEO