



## Policies and Procedures

<b>Policy Title</b> Conflict of Interest			
<b>Department Responsible</b> Compliance and Integrity	<b>Policy Code:</b> THN-CP – 1.10	<b>Effective Date</b> May 2016	<b>Next Review Date</b> May 2021
<b>Title of Person Responsible</b> Compliance Officer	<b>Approval Council</b> Triad Healthcare Network Board of Managers		<b>Approved Date</b> May 24, 2016

### PURPOSE

The purpose of this conflicts of interest policy is to protect the interests of Triad Healthcare Network, LLC (THN) an Accountable Care Organization (ACO), when it is contemplating entering into a transaction or arrangement that might benefit the private interest of employees, members of the Board of Managers (when acting on behalf of the Company), ACO Participants, ACO Providers/Suppliers, and others acting on behalf of THN (Workforce). This policy is intended to supplement but not replace any applicable laws governing conflicts of interest.

### DEFINITIONS

TERM	DEFINITION
ACO Participant	An entity identified by a Medicare-enrolled billing TIN through which one or more ACO providers/suppliers bill Medicare, that alone or together with one or more other ACO participants compose an ACO, and that is included on the list of ACO participants that is required under 42 C.F.R. § 425.118.
ACO Provider/Supplier	An individual or entity that: (1) is a provider or supplier under Medicare regulations; (2) is enrolled in Medicare; (3) bills for items and services furnished to Medicare fee-for-service beneficiaries during the agreement period under a Medicare billing number assigned to the TIN of an ACO participant; and (4) is included on the list of ACO providers/suppliers that is required under 42 C.F.R. § 425.118.
Confidential Information	This is information obtained through THN that has not become public information. This information belongs to THN and use of other than for THN business is a misuse.
Conflict of Interest	Refers to a situation where an interested person has a financial or other interest that may influence, or have the appearance of influencing, their judgment, decisions or actions relating to THN.
Financial Interest	A person has financial interest if the person has, directly or indirectly, through business, investment or family: <ul style="list-style-type: none"> <li>• An actual ownership or investment interest in any entity with which THN has a transaction or agreement, or</li> <li>• An actual compensation arrangement with any entity or individual with which THN has a transaction or arrangement (either independent of or in connection with THN's compensation plan), or</li> </ul>

TERM	DEFINITION
	<ul style="list-style-type: none"> <li>• A potential or actual ownership or investment interest in, or compensation arrangement with which THN is negotiating a transaction or arrangement.</li> </ul>
Gratuities / Compensation	May consist of things of value given freely and without consideration. To accept gifts, remuneration (in cash or kind), entertainment unrelated to business purposes, or other favors from any entity or individual that does or wants to do business with THN under circumstances from which it could be inferred that such action was intended to or would influence a member of the Board of Managers, employees, or others acting on behalf of THN.
Immediate Family Member	Includes a person's spouse, siblings and their spouses, children and their spouses, and any other person who lives in the same household.
Interested Person	Any member of the Board of Managers, employees, or others acting on behalf of THN with powers delegated to it by THN's governing board, who has a direct or indirect financial or other interest in a transaction or arrangement being considered by THN.

**POLICY**

The Workforce shall conduct their personal and professional relationships, including interactions with third party vendors, in such a way as to assure themselves, THN and the community that decisions made are in the best interest of THN without the slightest implication of wrong doing. The exercise of judgment is required to determine if a potential conflict of interest situation exists.

A conflict of interest exists when a member of the Workforce is in a position to profit directly or indirectly through the application of their authority or knowledge. Also, a conflict of interest exists if a friend or relative benefits or THN is adversely affected in any way by the action.

Examples include, but are not limited to:

- Accepting gifts, donations, or entertainment from another company in return for business;
- Holding a financial interest in a company, by either you or a member of your immediate family, with whom THN does business and influencing the direction of more business to the outside company; and
- Directing THN to an organization where a friend or relative works.

**RESPONSIBILITIES**

*The Workforce will:*

- Seek guidance from the Compliance and Integrity Office when any questions arise about conflict of interest;
- In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the manager, directors and/or members of committees to which the board of managers has delegated powers concerning the proposed transaction or arrangement.;
- Avoid any transaction where a conflict of interest is apparent;
- Avoid taking advantage of their position with THN to advance personal interests; and



- Complete the annual conflict of interest disclosure statement.

*The Compliance Officer with members of Board of Managers will:*

- Review the conflict or potential conflict of interest;
- Meet with the Board of Managers, as needed, to review the conflict or potential conflict of interest and take the necessary action to remove any direct or indirect influence on decision-making that is in violation of this policy;
- If needed, coordinate with an independent third party appointed by the Board of Managers to review alternatives to the conflict or potential conflict of interest. The report by the independent third party will be reviewed with the Board of Managers; and
- Manage the annual conflict of interest disclosure process.

*Board of Managers will:*

- After the disclosure of a financial or other interest and all material facts, and after any discussion with the Interested Person, the Interested Person shall leave the governing board or committee while the determination of a conflict of interest is discussed and voted upon. The governing board shall decide if a conflict of interest exists.
- Determine, by a majority vote of the disinterested Board of Managers, whether the transaction or arrangement is in THN's best interest, for THN's own benefit, and whether the transaction or arrangement is fair and reasonable. In conformity with the above determination, the Board of Managers shall make its decision as to whether to enter into the transaction or arrangement.

**POLICY VIOLATIONS**

- If the Board of Managers has reasonable cause to believe a THN Workforce member has failed to disclose an actual or potential conflict of interest, it shall inform that member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board of Managers determines that the member has failed to disclose an actual or potential conflict of interest, it shall take the appropriate disciplinary and corrective actions, up to and including termination of employment and participation with the THN.

**REFERENCE DOCUMENTS/LINKS 42**

CFR 423.106

**ATTACHEMENT**

Annual certification

**PREVIOUS REVISION/REVIEW DATES**

Date	Reviewed	Revised	Notes
04-23-18	Yes	Yes	Modified language for clarity.

