

<b>DEPARTMENT:</b> Administration	<b>POLICY DESCRIPTION:</b> Colquitt Regional Medical Center Personnel Conflict of Interest
<b>PAGE:</b> 1	<b>REPLACES POLICY DATED:</b> 8/1/92 Rev. 10/02
<b>APPROVED:</b> March 26, 2012	<b>RETIRED:</b>
<b>EFFECTIVE DATE:</b> March 26, 2012	<b>REFERENCE NUMBER:</b> 400.19
<b>APPROVED BY:</b> Compliance Committee and Administration	

## **F. Conflicts of Interest in Contractual Relationships**

**SCOPE:** All persons working for Colquitt Regional Medical Center, all affiliated and related entities of Colquitt Regional Medical Center, members of the Colquitt Regional Medical Center Medical Staff and all members of any Advisory Boards.

**PURPOSE:** To ensure that Colquitt Regional Medical Center personnel (as defined below) avoid actual conflicts of interest or the appearance of any conflict of interest, in compliance with the Colquitt Regional Medical Center Code of Conduct, and to promote competitive procurement to the maximum extent possible by ensuring that vendors are fairly chosen based on objective criteria.

### **POLICY:**

A. Except as otherwise provided in this Policy, Colquitt Regional Medical Center personnel may not:

1. Participate in contracting decisions involving vendors in which they, their spouse, dependent child, or other member of their household has any financial or other personal interest.
2. Own stock, stock options, warrants to purchase stock, or debt instruments or other proprietary or equity interests in any entity doing, or actively negotiating to do, business with Colquitt Regional Medical Center, except through diversified mutual funds or investment accounts where the investor has no control over investment selections.
3. Use vendor non-public information (*e.g.*, insider information) gained through the course of Colquitt Regional Medical Center employment for their personal benefit or the benefit of any other person. Colquitt Regional Medical Center Personnel may only share such information with others to the extent necessary for them to fulfill their Colquitt Regional Medical Center employment obligations. Information identified as confidential information from vendors may not be communicated to Third Parties without written approval from the vendors.
4. Induce a vendor to provide a personal benefit to themselves or to any other persons.
5. Hold office, serve on the board of directors, participate in management, provide consulting services or be otherwise employed by a vendor doing or actively attempting to do business with Colquitt Regional Medical Center.

B. Colquitt Regional Medical Center personnel with a conflict or potential conflict of interest may remove the conflict or potential conflict by meeting the following conditions:

1. They have disclosed their conflict or potential conflict to their immediate supervisor or, for

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any Advisory Board members, the Chairman of the Hospital Authority of Colquitt County; the Colquitt Regional Medical Center President should then be notified of such conflict or potential conflict;

2. They have either divested the ownership interest or excluded themselves from the discussion and approval of such transaction;
  3. The Colquitt Regional Medical Center President and Compliance Officer have been advised of the conflict and determined that the transaction is in the best interest of Colquitt Regional Medical Center, its members, and their patients; and that by divestiture or exclusion the potential for a conflict of interest has been adequately removed; and
  4. In the event the Colquitt Regional Medical Center personnel desiring to remove a conflict or potential conflict is the President of Colquitt Regional Medical Center, a vice president reporting to the President, or the Colquitt Regional Medical Center Compliance Officer, then the conflict may only be removed by disclosure to and a determination by their immediate supervisor (if any) and the Chairman of the Hospital Authority of Colquitt County, that by divestiture or exclusion the potential for a conflict of interest has been adequately removed.
- C. Colquitt Regional Medical Center personnel with a conflict or potential conflict may participate in discussion and/or approval of transactions without divestiture only if both the Colquitt Regional Medical Center President and the applicable Vice President and Compliance Officer at Colquitt Regional Medical Center, determine that the individual's participation would be in the best interests of Colquitt Regional Medical Center, its members and their patients; and that the degree of conflict is sufficiently minor that it would not have any material effect on the objectivity of such person; and that if the transaction is completed, such transaction would provide no material financial benefit to such person. If the person with a conflict or potential conflict is the President of Colquitt Regional Medical Center, a Vice President reporting to the President, or the Colquitt Regional Medical Center Compliance Officer, participation in discussion and/or approval of transactions where a conflict or potential conflict exists shall be permitted only if the person's immediate supervisor (if any) and the Chairman of the Hospital Authority of Colquitt County, both determine that the preceding criteria have been met.

**PROCEDURE:**

1. The Colquitt Regional Medical Center President or Colquitt Regional Medical Center Compliance Officer shall establish and maintain a process whereby Colquitt Regional Medical Center personnel:

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- a. Complete a Conflict of Interest Questionnaire (see attached) within thirty (30) days of employment or appointment (for Advisory Boards); or within sixty (60) days from the effective date of this Policy;
  - b. Disclose relationships that present potential conflicts of interest as they arise;
  - c. Review and, if necessary, amend their Questionnaires annually; and
  - d. Attend a refresher training session on this Policy at least annually.
2. The Colquitt Regional Medical Center President or Colquitt Regional Medical Center Compliance Officer shall collect and review Questionnaires for accuracy and potential conflicts of interest. As appropriate, the Colquitt Regional Medical Center President or Colquitt Regional Medical Center Compliance Officer shall address any potential conflict by reviewing his or her concerns with the affected person and such individual's supervisor, and having such person either remove the conflict or potential conflict in accordance with Section B under "Policy" above, or obtain an exception as provided in Section C under "Policy" above.

**DEFINITIONS:** The following definitions apply for purposes of this policy.

**Colquitt Regional Medical Center Personnel:** The term "Colquitt Regional Medical Center Personnel" shall include:

1. Employees of Colquitt Regional Medical Center and its affiliates and related entities, which includes, but is not limited to, employees who work full-time or part-time for Colquitt Regional Medical Center or under a management arrangement; and
2. Advisory Board Members, which includes, but is not limited to, members of the Hospital Authority of Colquitt County and any employee or nonemployee who participates on any advisory board or committee for Colquitt Regional Medical Center and/or its affiliates or related entities.
3. Members of the Colquitt Regional Medical Center Medical Staff, which includes all physicians with Colquitt Regional Medical Center privileges as members of the Colquitt Regional Medical Center Medical Staff.

**Third Party:** The term "Third Party" includes any entity or person that is external to Colquitt Regional Medical Center and its members (e.g., a vendor or contractor).

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James L. Matney, President and CEO

