



Document Name: Conflict of Interest
Document Type: Policy
Category: Administrative Practices
Sub-Category: Compliance-Legal Requirements and Obligations
Scope: Organization Wide
Effective Date: 6/2/16
Version Date: 6/2/16; 1/4/18; 8/2/18; 1/9/20; 1/21/21; 5/13/21; 5/26/22

Members of the Cherry Health Board of Directors ,Cherry Health staff, Officers and Agents* are committed to identifying and avoiding situations and activities that constitute a conflict of interest in the execution of their duties for Cherry Health. Furthermore, activities, situations and relationships that might create the perception of or potential for a conflict of interest must be identified and managed appropriately. Cherry Health believes that clear guidelines and principles for reporting and managing actual, potential and perceived conflicts of interest will assist our Board of Directors , staff, officers and agents in maintaining the highest level of integrity in their endeavors.

An actual conflict of interest arises in a situation where financial or other personal or professional considerations compromise an individual's objectivity, professional judgment, professional integrity, and/or ability to perform his or her responsibilities to Cherry Health. In addition to situations that clearly give rise to an actual conflict of interest, individuals are cautioned also to consider gray areas that might create the perception of, or the potential for, a conflict of interest. Perceived or potential conflicts of interest can be said to exist in situations where an individual member of the Cherry Health Board, a staff member, an officer, an agent, a member of the individual's family or a close personal relation, has financial interests, personal relationships, or professional associations with an individual, individuals, or outside organization, such that his or her activities within Cherry Health could appear to be influenced by that interest or relationship. Perceived or potential conflicts of interest can also be seen in the acceptance of gifts, so Cherry Health prohibits the acceptance of gratuities, favors, or anything with a monetary value greater than \$25.00 from outside vendors.

The Board of Directors, Chief Officers, Providers, Directors, Managers, members of the Pharmacy & Therapeutics Committee, Cherry Health contractors or consultants, and any staff involved in research, purchasing or contracting are required on an annual basis to complete and submit a Conflict-of-Interest Attestation and Disclosure form to the Compliance Officer. The identified individuals are also charged with the responsibility of prompt disclosure (within 30 days) to the Compliance Officer of a change in status of an existing actual, perceived or potential conflict of Interest and the identification of a new actual, perceived or potential conflict of interest.

If an identified individual does not complete the Conflict-of-Interest Attestation and Disclosure form in a timely manner, or if an identified individual does not include a conflict on their Conflict-of-Interest Attestation and Disclosure form, or if a conflict arises during the year that the identified individual does not report in a timely manner, action will be taken. If staff, disciplinary action, up to and including termination, will occur. If a Board member, the relationship with the Board will be reviewed by the Board President.

When a conflict of interest is disclosed, the Compliance Officer and the individual will meet to develop a plan appropriate to the situation. If the conflict of interest is not significant, the situation may continue without special safeguards or oversight. Potential or perceived conflicts

of interest would be permitted to go forward with an approved plan. Actual conflicts of interest may be permitted to go forward with an appropriate management plan to eliminate the conflict, safeguard against prejudice toward Cherry Health activities, and provide continuing oversight. Failure to correct a conflict-of-interest situation will result in corrective action, up to and including discharge.

Specific activities related to research are included in the Conflict of Interest-Research and Related Activities procedure.

** An Agent of the health center includes, but is not limited to, a governing board member, an employee, officer or contractor acting on behalf of the health center. From the HRSA Compliance Manual August 2019 .*