

**ANTELOPE VALLEY HOSPITAL
COMPLIANCE & INTEGRITY PROGRAM POLICY & PROCEDURE MANUAL**

POLICY NUMBER: CIP.III.G

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SUBJECT: CONFLICTS OF INTEREST

REFERENCE: Antelope Valley Healthcare District Bylaws
California Code of Regulations, Section 18730
Political Reform Act of 1974
The Joint Commission

PURPOSE: To avoid any legal, ethical or moral conflicts in operating Antelope Valley Hospital; to avoid any conflict that could affect safety and quality of care, treatment, and services.

AFFECTED AREAS/DEPARTMENTS: All

POLICY:

In addition to the Conflict of Interest and Disclosure Code approved and adopted by the Board of Directors, attached hereto and made a part of this policy, all board members, senior managers, leaders of the organized medical staff and employees of Antelope Valley Hospital shall, at all times, seek to promote, enhance and protect the best interests of Antelope Valley Hospital, encourage others to do so, and scrupulously avoid taking any action which may be adverse to the best interests of Antelope Valley Hospital or its patients.

I. DEFINITIONS:

- A. *Conflict of interest* – a conflict between a person’s private interests and their obligations to the hospital/healthcare district.
- B. *Relative* - For purposes of this Policy, a “*relative*” of a board member, senior manager, leader of the organized medical staff or employee shall include spouse, domestic partner, daughter, son, step-daughter, step-son, siblings, parents, step parents, mothers and fathers-in-law, fiancé or fiancée, roommate, legal guardian or ward, grandparents, grandchildren, as well as any other persons, such as persons living in the same household, in similar relationships to the disclosing individual, or any person close to the disclosing member in a situation that may create an actual or perceived conflict of interest.
- C. *Disclosing member* – a board member or a member of senior management who is required to disclose conflicts (see Attachment B).

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II. CONFLICTS TO CONSIDER:

- A. No board member, senior manager, leader of the organized medical staff or employee of Antelope Valley Hospital, or any relative of such person, shall own any substantial interest in, or have any personal contract or arrangement with, any firm or individual doing or seeking to do business with Antelope Valley Hospital unless Antelope Valley Hospital determines after full disclosure that such interest, contract or arrangement will not tend to influence the action of such board member, senior manager, leader of the organized medical staff or employee with respect to the business of Antelope Valley Hospital.
- B. No board member, senior manager, leader of the organized medical staff or employee of Antelope Valley Hospital or any relative of such person shall seek, accept or offer any payment, service or gift from or to any firm or individual doing or seeking to do business with Antelope Valley Hospital, unless Antelope Valley Hospital determines after full disclosure that such payment, service or gift will not tend to influence the action of such director, officer or employee with respect to the business of Antelope Valley Hospital.
- C. No board member, senior manager, leader of the organized medical staff or employee of Antelope Valley Hospital shall do business on behalf of Antelope Valley Hospital with any relative unless Antelope Valley Hospital determines after full disclosure that such relationship will not tend to influence the action of such board member, senior manager, leader of the organized medical staff or employee with respect to the business of Antelope Valley Hospital.
- D. No board member, senior manager, leader of the organized medical staff or employee of Antelope Valley Hospital shall provide direct medical care for any person with whom they are related or have a vested interest in the care given unless, after full disclosure, it has been determined that such relationship will not tend to influence the care given.
- E. No board member, senior manager, leader of the organized medical staff or employee should have any financial arrangement in conflict with quality and safety requirements.
- F. No board member, senior manager, leader of the organized medical staff or employee, who is concurrently employed by Los Angeles County, shall

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be in a position which enables him/her to influence the award of any agreement or any competing agreement. No spouse or economic dependent of any such employee, who has any direct or indirect financial interest in the agreement, shall be employed in any capacity by Antelope Valley Hospital.

- III. Relatives of a board member, senior manager, leader of the organized medical staff or employee will not be eligible for employment with Antelope Valley Hospital where potential problems of supervision, safety, security or morale, or conflicts of interest exist. If two board members, senior managers, leaders of the organized medical staff or employees marry or otherwise become related as defined in I.B. above, and the potential problems noted previously exist, only one of the board members, senior managers, leaders of the organized medical staff or employees will be permitted to stay with Antelope Valley Hospital, unless reasonable accommodations can be made to eliminate the potential problems. The decision as to which relative will remain at Antelope Valley Hospital must be made by both parties involved and the appropriate executive leader.
- IV. The Board of Directors of Antelope Valley Healthcare District is vested with ultimate authority and responsibility to determine the applicability of this policy to any set of facts that may arise and to determine any steps that should be taken to correct a situation deemed not in the best interests of Antelope Valley Hospital including, if deemed appropriate, disciplinary action.
- V. The Compliance Officer of Antelope Valley Hospital is directed to send a copy of this policy and the Certification Form (Attachment A) to each officer holding one of the positions listed in Attachment B. Such persons will be directed to further distribute copies of the policy through regular management channels to such other persons as they will deem appropriate. Each recipient will be requested to acknowledge receipt of the policy, certify as to full compliance if appropriate, and list any possible exceptions. The Compliance Officer will monitor and review all responses from recipients. If the Compliance Officer finds that the facts set forth in any particular response give rise to a potential conflict of interest contrary to this policy, the Compliance Officer will forward all information relating to any such potential conflict, together with any recommended course of action, to the CEO and the Compliance Oversight Committee of the Board.
- VI. Additionally, any individual in the described positions, in accordance with the Political Reform Act of 1974, is required to file a Conflict of Interest Statement within 30 days after assuming the position, annually during the month of March each year, and within 30 days of leaving the position. It will be the responsibility

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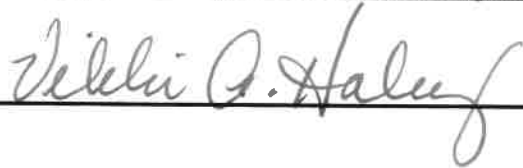
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of the Human Resources Department to notify the Compliance Officer when employees are hired or terminate their employment in these positions.

VII. Disclosure Statements for the Chief Executive Officer and Board members are filed with the Board of Supervisors, County of Los Angeles. All others are maintained in Administration.

RESPONSIBILITY FOR REVIEW AND MAINTENANCE OF THIS POLICY IS ASSIGNED TO: Chief Executive Officer or designee

Signature: 

DATE: 3/19/15


REVIEWED AND APPROVED:

Compliance Oversight Committee

DATE: 09/11/14

Board of Directors

DATE: 07/30/14

REVIEWED AND APPROVED: 
Dennis Knox, CEO

3/24/15
Date

EFFECTIVE DATE: 11/76

REVISED DATES: 04/08/09; 05/06/09; 08/26/10; 06/01/11; 06/26/13

REVIEW DATES: 04/09; 05/09; 08/10; 06/11; 06/13; 10/14

CROSS REFERENCES:

Administrative policy LD.14 entitled GOVERNING BODY AND MANAGEMENT BYLAWS

Compliance & Integrity Program Manual policies –

CIP.I entitled CODE OF BUSINESS CONDUCT

CIP.II entitled COMPLIANCE & INTEGRITY PROGRAM

CIP.III.E entitled GIFTS AND OTHER CONSIDERATIONS

CIP.III.G.1 entitled CONFLICTS OF INTEREST INVOLVING LICENSED INDEPENDENT PRACTITIONERS AND/OR EMPLOYEES

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CIP.III.G.2 entitled CLINICAL DECISION MAKING & FINANCIAL
INCENTIVES

CIP.III.H entitled CODE OF ETHICAL BEHAVIOR

ATTACHMENTS: A. Certification
 B. Conflict of Interest & Disclosure Code

**ATTACHMENT A
COMPLIANCE & INTEGRITY PROGRAM Policy CIP.III.G**

Antelope Valley Hospital
Conflict of Interest Policy Compliance
Certification

1. I have read the facility's "Conflict of Interest Policy" and have retained a copy for my guidance.

2. I represent that I am in complete compliance with the requirements of the policy with the following possible exceptions: *

Printed Name

Position/Title

Facility/Department

Signature

Date

* You may also include a statement relative to any personal business situation which you believe should be brought to the attention of the facility.

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ATTACHMENT B

Conflict of Interest Code
of the

ANTELOPE VALLEY HEALTHCARE DISTRICT

Incorporation of FPPC Regulation 18730 (2 California Code of Regulations, Section 18730) by Reference

The Political Reform Act (Government Code Section 81000, *et seq.*) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. 18730), which contains the terms of a standard conflict of interest code. After public notice and hearing, it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730, and any amendments to it duly adopted by the Fair Political Practices Commission, are hereby incorporated into the conflict of interest code of this agency by reference. This regulation and the attached Appendices (or Exhibits) designating officials and employees and establishing economic disclosure categories shall constitute the conflict of interest code of this agency.

Place of Filing of Statements of Economic Interests

All officials and employees required to submit a statement of economic interests shall file their statements with the agency head; or his or her designee. The agency shall make and retain a copy of all statements filed by its Board Members, and the Chief Executive Officer and forward the originals of such statements to the Executive Office of the Board of Supervisors of Los Angeles County.

The agency shall retain the originals of statements for all other Designated Positions named in the agency's conflict of interest code. All retained statements, original or copied, shall be available for public inspection and reproduction (Gov. Code Section 81008).

ANTELOPE VALLEY HEALTHCARE DISTRICT

EXHIBIT "A"

CATEGORY 1

Persons in this category shall disclose all interest in real property within the jurisdiction. Real property shall be deemed to be within the jurisdiction if the property or any part of it is located within or not more than two miles outside the boundaries of the jurisdiction or within two miles of any land owned or used by the agency.

Persons are not required to disclose property used primarily as their residence or for personal recreational purposes.

CATEGORY 2

Persons in this category shall disclose all investments and business positions.

CATEGORY 3

Persons in this category shall disclose all income (including gifts, loans, and travel payments) and business positions.

CATEGORY 4

Persons in this category shall disclose all business positions, investments in, or income (including gifts, loans, and travel payments) received from business entities that manufacture, provide or sell service and/or supplies of a type utilized by the agency and associated with the job assignment of designated positions assigned to this disclosure category.

CATEGORY 5

Individuals who perform under contract the duties of any designated position shall be required to file Statements of Economic Interests disclosing reportable interest in the categories assigned to that designated position.

In addition, individuals who, under contract, participate in decisions which affect financial interests by providing information advice, recommendation or counsel to the agency which could affect financial interest shall be required to file Statements of Economic Interests, unless they fall within the Political Reform Act's exceptions to the definition of consultant. The level of disclosure shall be as determined by the executive officer (or head) of the agency. (See footnote for clarification.)

ANTELOPE VALLEY HEALTHCARE DISTRICT

EXHIBIT "B"

<u>Designated Positions</u>	<u>Disclosure Categories</u>
Member of the Board of Directors	1, 2, 3
Chief Executive Officer	1, 2, 3
Vice President, Business Development	4
Chief Information Officer	4
Chief Financial Officer	2, 3
Chief Operating Officer	2, 3
Chief Nursing Officer	2, 3
Chief Human Resources Officer	2, 3
Director of Materials Management	4
Director of Dietary Services	4
Chief Medical Officer	2, 3
Director of Marketing & Public Relations	4
Consultants/New Positions*	5

*Consultants/New Positions are included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitations:

The Chief Executive Officer or his or her designee may determine in writing that a particular consultant or new position, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with disclosure requirements in this section. Such written determination shall include a description of the consultant's or new position's duties and, based upon that description, a statement of the extent of disclosure requirements. The Chief Executive Officer's or his or her designee determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code. (Gov. Code Section 81008.)

EFFECTIVE: 10/15/14