

Conflict of Interest

Policy #345
Reissued: 04/25/12
Revised 09/02/15

Policy: Highland Hospital will ensure that all business transactions are free from influence by employees who have actual or potential conflicts of interest with respect to such transactions.

Definitions:

- A. Business transactions include, but are not limited to the procurement of goods and services, including consulting and contractual services, the disposition of Highland materials or property, and/or agreements for the provision of services or the use of Highland property or facilities.
- B. Involvement in a business transaction includes, but is not limited to initiating, making a recommendation for, or approving a purchase or contract; drafting or negotiating the terms of a transaction or authorizing payments from Highland accounts.
- C. Actual or potential conflicts of interest include, but are not limited to, the following:
 - 1. Where a business transaction is proposed or is taking place and a Highland employee, or a close relative or member of the employee's household, stands to profit if the individual or an organization in which they are an owner, director, officer, or employee at the manager level or above does (or were to do) business with Highland Hospital.
 - 2. Where an employee (or close relative or member of the employee's household) has an interest in an organization which is in competition with a firm conducting business with Highland Hospital, and the employee is in a position which provides them access to proprietary or privileged information which could be a benefit to the firm in which the employee or the employee's relative/household member has an interest.

Procedure:

- A. Any Highland Hospital employee who is or may be involved in a transaction which may be perceived as an actual or potential conflict of interest must report this to their immediate supervisor or manager. If an employee is aware of a situation in which a fellow employee is involved in a transaction that would be an actual or potential conflict of interest, they are also responsible for reporting this to their supervisor or manager. Alternate methods for reporting are through the Human Resources Department at 341-6332, the Office of Compliance at 275-1609 or the Integrity Hotline at 756-8888.
- B. In addition to the requirement that they disclose conflicts and potential conflicts when situations arise, individual who are "key employees" as defined by the Internal Revenue Service are required to complete and submit an annual conflict of interest reporting form. The form will include a requirement to report specific information concerning the terms of any contract or transaction with the Hospital that involves a potential conflict of interest for the key employee.

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- C. The individual receiving the report must inform the Director of Finance and the Hospital COO. The Hospital will take appropriate action to assure that the conflicted individual does not make any recommendations or influence any decisions relating to the transaction, and that the transaction, if it proceeds, is on fair and reasonable terms and in the best interest of the Hospital.

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