



Category: SYSTEM-WIDE POLICY		
Subject: ADMINISTRATIVE OPERATIONS	Page 1 of 6	Policy #: 00.02.00
Title: CONFLICT OF INTEREST (COI)	Approval Date: 06/15/2018	Posting Date: 06/15/2018

PURPOSE

The purpose of this Policy is to help ensure that the business and professional activities of the Cook County Health & Hospitals System (CCHHS) are conducted free of actual Conflicts of Interest, or the appearance of any Conflicts of Interest, and to protect the interests of CCHHS when it is contemplating entering into a transaction or arrangement.

AFFECTED AREAS

This Policy affects Covered Persons within all CCHHS affiliated operating units including John H. Stroger, Jr. Hospital of Cook County, Provident Hospital of Cook County, Oak Forest Health Center, Ruth M. Rothstein CORE Center, Ambulatory & Community Health Network (ACHN), Cermak Health Services of Cook County, Cook County Department of Public Health, and CountyCare.

DEFINITIONS

- A. Conflict of Interest: A Conflict of Interest may exist when:
- a Covered Person, or his/her Personal Relationships, is doing business with CCHHS or any of its operating units;
 - a Covered Person, or his/her Personal Relationships, has an interest in any issue, item, matter or transaction that involves CCHHS or its operating units or that is under consideration by CCHHS or its operating units;
 - a Covered Person, or his/her Personal Relationships, is in a position to influence business or other decisions including patient access or care of CCHHS in ways that could lead or appear to lead to the personal gain or advantage of such person, his/her Personal Relationships, or outside entities.
- B. Covered Person: All officers, directors, Board committee members, advisory councils, employees, members of the CCHHS medical staff or house staff, researchers, students and contractor personnel carrying out the business or professional activities of CCHHS.
- C. Doing Business: Having or negotiating the creation of a contract or agreement, whether verbally or in writing, that involves the commitment of (either in a single transaction or a combination of transactions) \$2,500 or more of CCHHS funds or funds controlled by CCHHS.
- D. Gift: Any gratuity, discount, entertainment, hospitality, loan, forbearance, or other tangible or intangible item having monetary value including, but not limited to, cash, food and drink, and honoraria for speaking engagements related to or attributable to a person's status as a Covered Person.
- E. Interest: Any professional, personal, financial, legal or equitable economic interest (whether or not subject to an encumbrance or a condition), activity, arrangement, or relationship, which is beneficial in nature and is owned or held, either directly or indirectly, by a Covered Person (or through a Personal Relationship or Person of Influence) with any entity with which CCHHS has or may in the future be doing business. The term "Interest" includes, but is not limited to the following examples,

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- a. An ownership interest; serving as a member, officer, director, committee member, partner, paid consultant, or employee of the same or a related business, or having a financial interest in the same or a related business;
 - b. Participation in any outside activity that could interfere significantly with the Covered Person's work time obligation;
 - c. Receipt of fees, or other compensation or remuneration from an entity as a result of professional services, consulting, speaking engagements, royalties, patents, copyrights, or other intellectual property rights.
- F. Personal Relationships: Covered Person's spouse, children, parents, siblings, grandchildren, and their spouses; the Covered Person's spouse's parents, siblings, children, grandchildren, and their spouses; and any Person of Influence.
- G. Person of Influence: A person with a close personal or business connection with a Covered Person who would likely influence the decisions of the Covered Person.

POLICY

Covered Persons shall not be involved in any situation or circumstance that would cause the Covered Person to have a Conflict of Interest. This prohibition includes the Personal Relationships of the Covered Person.

No Covered Person shall accept any gift from any entity, or an employee, contractor or agent of an entity, with which CCHHS or its operating units is doing business or with which CCHHS has done business within the past three (3) years.

Covered Persons are responsible for addressing Conflicts of Interest, whether actual or those that have the appearance of a Conflict of Interest. Covered Persons must comply with the provisions of this Policy.

Covered Persons have a duty to disclose the existence of a possible Conflict of Interest and all material facts relating to the possible Conflict of Interest within twenty-four (24) hours of awareness to CCHHS Corporate Compliance, as provided in the Policy.

No Covered Person who has or may have a Conflict of Interest with respect to a transaction or decision shall participate in the transaction or decision, unless authorized to participate by CCHHS Corporate Compliance.

The CCHHS Conflicts of Interest Policy covers the following areas:

1. Conflicts of Interest in Day-to-Day Business Operations of CCHHS Affiliates
2. Conflicts of Interest in Day-to-Day Business Operations of CountyCare
3. Conflicts of Interest in Patient Care
4. Conflicts of Interest in Research Activities
5. Conflicts of Interest in Educational Activities

All Covered Persons shall preserve and protect the interests and assets of CCHHS. The business and professional activities of CCHHS must be conducted in the best interests of CCHHS, without favoritism or preference based on personal considerations. Accordingly, each Covered Person must avoid situations, which may give rise to a Conflict of Interest or the appearance of a Conflict of Interest.

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CCHHS has adopted a Code of Ethics that supplements the Cook County Ethics Ordinance. This defines CCHHS' standards for ethical behavior by CCHHS Personnel in carrying out CCHHS operations. Among other things, the *CCHHS Code of Ethics* is designed to protect the integrity of clinical decision-making. Patient care decisions must be based on the healthcare needs of the patient, independent of compensation, financial arrangement, or favor that may benefit the healthcare provider or CCHHS.

Research activities at CCHHS must be carried out with the utmost integrity. All research activities must be approved in advance by the Institutional Review Board of the Cook County Health and Hospitals System and by CCHHS management.

Educational activities (including professional and public education) at CCHHS must be free from bias and carried out in a manner that serves the educational component of CCHHS' Mission and responsibilities as a public health system, and not the personal interests of any Covered Person.

PROCEDURE

- A. The Conflict of Interest process for CCHHS, including Disclosure Statements and conflict resolution, shall be coordinated by CCHHS Corporate Compliance, in consultation with the Office of General Counsel. Questions regarding the Conflict of Interest Policy should be directed to the Corporate Compliance Office.
- B. Duty to Disclose: All Covered Persons have a duty to disclose any possible Conflict of Interest to CCHHS Corporate Compliance within twenty-four (24) hours of discovering the existence of a possible Conflict of Interest.
 1. The disclosure must include all material facts relating to the possible Conflict of Interest.
 - i. CCHHS Corporate Compliance will be responsible for following disclosure requirements set forth within the County Managed Care Community Network (MCCN) contract with HFS for disclosures affecting Covered Persons within CountyCare operations.
 2. No Covered Person who has or may have a Conflict of Interest with respect to a transaction or decision shall participate in the transaction or decision unless authorized to participate by CCHHS Corporate Compliance.
- C. Required Reporters: The following Covered Persons are required to complete disclosure forms on an annual basis:
 1. Board of Directors members and committee members appointed by the Board;
 2. Management and individuals in leadership positions;
 3. Supply Chain Management personnel, members of committees charged with selection of products or services to be purchased and/or anyone in a position to influence purchasing decisions (e.g. case management, social workers);
 4. Any Covered Persons who are specifically involved in CountyCare operations;
 5. Any Covered Persons who works more than or equal to twenty (20) hours per week or forty (40) hours per pay period and have commitments or relationships with other organizations;
 - a. Medical staff members that work less than twenty (20) hours per week or forty (40) hours per pay period must submit an Accounting of Disclosures survey during the credentialing/re-credentialing process.
 6. Any CCHHS Personnel who have outside employment relationships with businesses that seek to do business with CCHHS.
 7. Any CCHHS Personnel who previously had a conflict identified.

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- C. Disclosure Statement (Conflict of Interest Disclosure Statement): Annually, a Covered Person who is a Required Reporter must accurately complete a Disclosure Statement and affirm that they: (i) have received a copy of this Conflict of Interest Policy; (ii) have read and understand this Policy; and (iii) agree to comply with this Policy. Covered Persons will submit the Conflict of Interest Disclosure Statement on a timely basis to the CCHHS Corporate Compliance Office.
- D. Duty to Update Disclosure Statement: It will be the continuing duty of each Covered Person who is sent such a Disclosure Statement to advise the Chief Compliance Officer immediately of the occurrence of any event that would have been described in the Conflict of Interest (COI) Disclosure Statement had it occurred or been known at the time the COI Disclosure Statement was originally completed.
- E. Addressing a Potential Conflict of Interest:
1. If the Covered Person who may have a Conflict of Interest is a Board or Board Committee member or a member of executive management, the Covered Person shall report the Conflict to the Chief Compliance Officer immediately. The Chief Compliance Officer, in consultation with the CCHHS Office of General Counsel, will review the facts of the situation and make a recommendation to the Chief Executive Officer (or his/her designee), or in the case of a Board member, the Chairman of the Board (or his/her designee), as to whether a potential Conflict exists.
 2. The Chief Executive Officer (CEO) (or his/her designee), for those Covered Persons who are subject to his/her supervision, shall decide whether the potential Conflict of Interest that has been disclosed amounts to an actual Conflict of Interest. If it is determined that an actual Conflict of Interest exists then the following procedures shall be taken:
 - a. The CEO (or his/her designee), shall direct that the Covered Person refrain from participating in the transaction or decision.
 - b. The CEO (or his/her designee), may impose additional safeguards concerning the transaction or decision in order to protect CCHHS' interests. These may include, without limitation, (i) appointing a disinterested person or committee to oversee or review the proposed transaction or arrangement, or (ii) deciding not to pursue the transaction or arrangement.
 3. In the case of a Board member, the Chairman of the Board shall allow the Board member to disclose the facts surrounding the potential Conflict of Interest to the Board of Directors in executive session if he/she so desires. Thereafter, the Board member with the potential Conflict shall leave the room while the Board of Directors decides whether an actual Conflict of Interest exists. If it is determined that an actual Conflict of Interest exists then the following procedures shall be taken:
 - a. The Chairman of the Board shall direct that the Board member refrain from participating in the transaction or decision.
 - b. The Chairman of the Board may impose additional safeguards concerning the transaction or decision in order to protect CCHHS' interests. These may include, without limitation, (i) appointing a disinterested person or committee to oversee or review the proposed transaction or arrangement, or (ii) deciding not to pursue the transaction or arrangement.
 4. Failure to comply may result in disciplinary action up to and including termination/severance of relationship (employment, contract, volunteer status).

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5. Where necessary, for potential Conflicts of Interests that involve CountyCare operations, CCHHS Corporate Compliance will disclose in writing any Conflicts of Interest to the Department of Healthcare and Family Services (HFS) no later than seven (7) days after learning of the Conflict of Interest.

- a. In these cases, HFS is responsible for determining whether a Conflict of Interest exists or whether CCHHS failed to make any required disclosure.
- b. HFS will also determine the appropriate remedy for a Conflict of Interest. Available remedies include, but are not limited to, the elimination of the Conflict of Interest or the non-renewal or termination of the MCCN Agreement between CCHHS and the County of Cook for CountyCare operations.

- F. Complete and accurate records shall be maintained of all investigations and determinations under this Policy.

POLICY UPDATE SCHEDULE

At least every three (3) years, or more often as appropriate.

REGULATORY REFERENCES

Cook County Ethics Ordinance; Section 2-578 (*Conflicts of Interest*)

Federal Sentencing Guidelines

Federal Anti-Kickback Statute (Stark)

National Institute of Health Guidance

American Medical Association Guidance

PhRMA Code on Interactions with Healthcare Professionals

OIG Self Disclosure Protocol

Physician Payment Sunshine Act

Fraud Enforcement and Recovery Act of 2009

Joint Commission Standard LD.04.02.01

POLICY REFERENCES

CCHHS Code of Ethics

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POLICY LEAD

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CCHHS, Chief Compliance and Privacy Officer

REVIEWERS

Office of General Counsel

APPROVAL PARTY

John Jay Shannon, MD
CCHHS, Chief Executive Officer
Electronically Approved: June 15, 2018

POLICY HISTORY

Replaces: Oak Forest Hospital COI Policy 2009 Jan

Written:	2011 June 06	Approved: 2011 Jul 13	Posted: 2011 Aug 25
Updated:	2013 Feb 11 OFH to OFHC		
Reviewed/Revised:	2013 April 23	Approved: 2013 April 24	Posted: 2013 April 24
Reviewed/Revised:	2015 May 31	Approved: 2015 May 31	Posted: 2015 June 02
Reviewed/Revised:	2018 June 15	Approved: 2018 June 15	Posted: 2018 June 15