

Lifespan System-wide Policy **Subject:**
Conflict of Interest

File Under:
CCPM-9

Issuing Department:
Office of the President

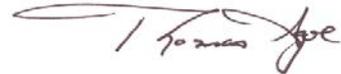
Latest Revision Date:
February 2017

February 2016	July 2016
March 2014	March 2010
February 2013	September 2009
March 2012	March 2009
March 2011	February 2008

Original Policy Date:
January 1, 1998

Page 1 of 16

Approved by:



Thomas Igoe
Lifespan Compliance Officer



Timothy J. Babineau, MD
Lifespan President & CEO

I. Purpose:

Lifespan is committed to pursuing its Mission and conducting its affairs in accordance with the highest professional and ethical standards. This commitment includes the avoidance of detrimental conflicts of interest. The avoidance of such conflicts is essential for preserving public trust in Lifespan operations. Persons who agree to serve Lifespan should not use their positions for personal gain or expose Lifespan to harm as a result of a conflict of interest. Lifespan has adopted this policy to clarify its requirements regarding conflicts of interest and to implement a system for disclosure and resolution of potential and actual conflicts of interest.

II. Eligibility:

This policy applies to all persons who meet the definition of “Designated Person” below. A separate policy entitled “Board Member Conflict of Interest Disclosure Process” – CCPM-9-1 outlines the responsibilities of all members of the Board of Directors, members in each committee of the Board of Directors and all Members of the affiliate Foundation Board of Trustees (Lifespan Board Members).

III. Policy:

It is Lifespan's policy to require that certain Designated Persons disclose, and in some instances refrain from engaging in, business practices or conduct which could or do constitute a conflict between their personal interests and the interests of Lifespan.

3.1 Definitions:

- A. "Conflict of Interest" as it relates to employees of Lifespan and to other persons who agree to serve Lifespan (including without limitation, physician leaders) means either engaging in conduct or entering into business or private or personal relationships, whether by way of investments, outside employment service (such as serving on the board or as an officer of a competitor of Lifespan), personal relationships, or any other obligation or relationship, which could cause one to use his or her position and influence at Lifespan or confidential information of Lifespan for personal gain or for the benefit of others (such as Family Members or other Business Entities with which such person is associated) instead of the benefit or best interests of Lifespan or simultaneously serving in a fiduciary capacity for Lifespan and a competitor of Lifespan or having a fiduciary duty to Lifespan which competes with a fiduciary duty owed to another Business Entity.
- B. "Designated Persons" includes the following:
1. All executive staff, vice presidents and management staff (i.e. directors and managers) of Lifespan. Conflict of interest disclosure statements must be completed annually for executive staff and vice presidents and, upon hiring and periodically thereafter, for management staff. All disclosure statements will be reviewed and maintained by the Lifespan Compliance Officer. Annually, reported disclosures will be shared with the applicable Senior Executive at each affiliate or division, the Senior Vice President of Human Resources, and the Executive Corporate Compliance Committee.
 2. All physician leaders in each Clinical Department and Division within Lifespan as determined by affiliate officials. Conflict of interest disclosure statements must be completed annually and reviewed and maintained by the Lifespan Compliance Officer. Annually, reported disclosures will be shared with the Senior Operational Executive and Senior Medical Executive at each affiliate and the applicable chief of the division.
 3. All persons whose primary job responsibility is to select or to influence the purchase of goods or services on behalf of Lifespan, (e.g., Materials Management, Pharmacy, Dietary, and Facilities Management.). Conflict of interest disclosure statements must be completed annually and sent to

the Lifespan Compliance Officer to be reviewed and maintained. Disclosures will be shared with the applicable directors responsible for these functions.

4. Any other persons, such as Lifespan Physician Group (LPG) members which Lifespan may from time to time designate. Conflict of Interest disclosure statements must be completed as directed (either annually or one time), sent to the Lifespan Compliance Officer to be reviewed and maintained and will be shared with the appropriate Executive.
 5. All Principal Investigators, Co-Investigators and all others responsible for the design, conduct or reporting of research. Research related conflict of interest disclosure statements must be completed prior to the commencement of research and annually thereafter. All Research related disclosure statements will be reviewed and maintained by the Executive responsible for Research Administration at each affiliate. The Lifespan Compliance Officer will also review all disclosures. Lifespan's Corporate Compliance Policy (CCPM-43) entitled "Research Conflict of Interest Policy" describes this process.
- C. "Family, Family Member, etc." includes any close relation by blood or marriage and/or any person residing with the Designated Person.
- D. "Ownership or financial interest" means any ownership financial interest in a Business Entity, including without limitation, a stock or partnership interest, except that "Financial Interest" shall not include the ownership of securities which meet the following conditions: (i) the securities are listed on a recognized stock exchange or traded on a regular over-the-counter basis; and (ii) the combined holdings of the securities by the Designated Person and Family Members constitute less than five percent (5%) of the outstanding securities of the corporation.
- E. "Business Entity" means any corporation, individual, partnership, proprietorship, or other business organization, including not-for-profit entities.
- F. "Consultant, consulting, etc." means the performance of any service for which any form of remuneration is received. This includes the rendering of advice, providing technical expertise, serving as a speaker or lecturer or evaluating existing or proposed products or services.

3.2 Director/Physician/Employee Responsibilities Under this Policy:

It shall be the responsibility of all Designated Persons to disclose situations that may give rise to a Conflict of Interest. In addition to those Designated Persons who must file a conflict of interest disclosure statement annually as specified in section 3.1B, it shall also be the responsibility of *all* Designated Persons to update

or complete a new conflict of interest disclosure statement if a situation occurs, resulting in a Conflict of Interest or potential Conflict of Interest, that has not been previously disclosed.

3.2.1 Examples of Conflicts of Interest or potential Conflicts of Interest include, but are not limited to

- a. An employee, other Designated Person, or Family Member participates in one of the following activities with respect to an organization doing or currently seeking to do business, or with respect to an entity which is in the same or similar line of business, with Lifespan, its subsidiaries or affiliates:
 - (i) holds a substantial Ownership or Financial Interest in such an organization;
 - (ii) serves as a trustee, director or officer of such an organization;
 - (iii) serves as a consultant to such an organization;
 - (iv) is an influential employee of such an organization; or
 - (v) accepts gifts, loans, travel, services, entertainment or other favors from such an organization.¹
- b. An employee, other Designated Person or a Family Member of such employee or Designated Person buys, sells or leases any kind of property, facilities, supplies or equipment to or from Lifespan, its subsidiaries or affiliates.
- c. An employee devotes his or her time or energy during working hours or uses Lifespan equipment or supplies, for activities, which serve the interests of another organization, without the express written consent of Lifespan management.

3.3 Administration:

This policy shall be administered as follows:

- A. Each Designated Person shall be required to provide Lifespan with an initial disclosure statement and, if required, thereafter an annual statement attesting:
 - (i) that the Designated Person has read and is familiar with this policy, and
 - (ii) that the Designated Person and to the best of the Designated Person's knowledge, no Family Member, has in the past, is presently or plans to, engage in any activity which contravenes this policy.

¹ Lifespan does not consider reportable conflicts to arise from entertainment, isolated shared meals or other similar occurrences, which, may be considered a proper business expense and/or activity depending on the circumstances. Lifespan Employees and Professional Staff should review Corporate Compliance Policy #30 entitled "Entertainment, Gifts and Vendor Promotional Training" for more guidance.

- B. The Chief Executive Officer or his/her designee, shall, with consultation from the Office of General Counsel, determine the applicability of this policy to individual situations and shall determine whether a Designated Person will be instructed to cease participation in an existing activity, be prohibited from participating in a contemplated activity, be disqualified from acting on behalf of Lifespan in a particular situation, must remove himself or herself from the recommendation/decision process, and/or must abstain from voting on issues and whether, and to what extent, corrective measures and/or disciplinary action in the enforcement of this policy is warranted.
- C. If, at any time during the course of employment or association, a Designated Person has reason to believe that an existing or contemplated activity may contravene this policy, the person shall submit a full written description of the activity to the Lifespan Compliance Officer or the Office of the General Counsel to seek a determination as to whether the contemplated activity does or does not contravene this policy. (For the bulk of Lifespan management staff knowledge of this requirement shall be acknowledged as part of the annual performance evaluation process.) If the activity in question involves either the Chief Executive Officer, the Senior Vice President and General Counsel, or a Director, a full written disclosure must be made to, and a determination sought from, the Chairman of the Board of Directors of Lifespan Corporation.
- D. Annually, the Lifespan Compliance Officer shall review and report to the Lifespan Executive Corporate Compliance Committee and to the Lifespan Audit and Compliance Committee on the administration of this policy.

3.4 Penalty for Non-Compliance:

Failure on the part of any Designated Person to comply with this policy, including failure to submit an accurate and timely conflict of interest disclosure statement will be grounds for removal from his/her position and/or termination of his/her employment with Lifespan.

Administration of this policy regarding non-compliance and/or non-disclosure will follow the steps identified above for review and determination of the appropriate action.

3.5 Conflict of Interest Disclosure Statement:

Two versions of the Lifespan Conflict of Interest Disclosure Statement exist and are attached to this policy as CCPM-9 Appendix A and Appendix B. Appendix A is a more extensive version of the disclosure statement, dealing not only with Governance and Administrative Activities, but also Clinical Activities, Research Activities and Scholarly Activities; Appendix A is to be completed by all

designated persons who are physicians. Appendix B, which addresses Governance and Administrative Activities, is to be completed by all other designated persons.

IV. Procedure:

If a Lifespan Employee or a Lifespan Professional Staff member has a question concerning the interpretation or applicability to a particular circumstance of any of the requirements referred to in this Policy, such Lifespan Employee or Lifespan Professional Staff member should first consult with his/her supervisor(s) and if his/her supervisor(s) is unable to answer the question or provide any guidance or, if, because of the circumstances, it would be inappropriate to discuss the matter with his/her supervisor(s), then such Lifespan Employee or Lifespan Professional Staff member should contact the Office of the General Counsel or the Corporate Compliance Officer for advice. If any Lifespan Employee or Lifespan Professional Staff member is aware of any violation or threatened or potential violation of this Policy, or suspects a violation of this Policy has occurred, such Lifespan Employee or Professional Staff member must refer to the Policy on Code of Conduct for instruction as to what action to take. No adverse action will be taken against any party who reports, in good faith, any violation or apparent or threatened violation.

3. Do you make purchases on behalf of Lifespan, or are you in a position to influence Lifespan to make purchases, from a Business Entity in which you or a Family Member has an Ownership or Financial Interest; derive compensation, gifts, royalties, licensure fees, or consulting fees; and/or serve as an officer or director? Yes No

If yes, please identify your position with Lifespan, the Business Entity and the nature of your relationship with that Business Entity.

4. Do you participate, directly or indirectly, in Lifespan contract negotiations or are you in a position to influence such negotiations with a Business Entity, including a third party payer, in which you or a Family Member has an Ownership or Financial Interest; derive compensation, gifts, royalties, licensure fees, or consulting fees; and/or serve as an officer or director? Yes No

If yes, please identify your position with Lifespan, the name of the Business Entity and the nature of your relationship with that Business Entity.

5. Do you or a Family Member have an Ownership or Financial Interest; derive compensation, gifts, royalties, licensure fees, or consulting fees; and/or serve as an officer, director or on a governing board of a Business Entity that competes³ with Lifespan? Yes No

If yes, please identify the Business Entity and the activities with which it competes with Lifespan.

³ “Compete” includes competing with Lifespan and/or any Lifespan affiliate for patients, business or providing services, or a service that is similar to that offered by Lifespan and/or an affiliate of Lifespan.

6. Please list all entities within Lifespan for which you serve on the governing board and/or on a committee of the governing board.

7. If you answered “Yes” to any of the above questions, can you describe why your situation does not represent an actual Conflict of Interest for you? For example, your spouse works for a company that has a major contract with Lifespan, however, you do not in any way participate in the awarding or administration of that contract.

Please briefly describe.

8. If you answered “Yes” to any of the above questions and you believe an actual Conflict of Interest exists, do you have any suggestions for eliminating or minimizing the conflict?

II. Clinical Activities

1. Do you make any clinical referrals to any Business Entity in which you or a Family Member has an Ownership or Financial Interest, derive compensation, gifts, royalties, licensure fees, or consulting fees; and/or serve as an officer or director?
Yes No

If yes, please identify the Business Entity and nature of your relationship with this Business Entity and form and amount of compensation received annually.

III. Research Activities

1. Do you conduct, supervise or otherwise control research sponsored by a Business Entity, in which you or a Family Member has an Ownership or Financial Interest, and/or serve as an officer or director? Yes No

If yes, please identify the Business Entity and the nature of your relationship.

2. Do you conduct, supervise or otherwise control research sponsored by a Business Entity from which you or a Family Member derives compensation, gifts, royalties, licensure fees, consulting fees, speaker fees, honorarium, etc? Yes No

If yes, please complete the section below

Name of Business Entity	Form of Compensation	Amount of Annual Compensation (for the prior 12 months)

IV. Scholarly Activities

1. Have you, during the past year, published or presented research results or expert commentary that might materially affect the business interests of a Business Entity in which you or a Family Member has an Ownership or Financial Interest, or employment relationship? Yes No

If yes, please identify the Business Entity and the nature of your relationship.

2. Do you have an agreement or arrangement with a Business Entity that results in restriction of publication or delays access to information derived from hospital-related research, other than short-term delay for the purpose of filing patent applications? Yes No

If yes, please identify the Business Entity and the restriction.

3. Do you participate in clinical trials or other research where dissemination of results adverse to the sponsoring entity is restricted or in which obtrusive control of a protocol or research plan is exercised by the sponsoring entity?
Yes No

If yes, please identify the trial or research project and the sponsoring entity.

4. Do you have an agreement or arrangement with a Business Entity, which results in transfer to the Business Entity of inventions owned by Lifespan?
Yes No

If yes, please identify the Business Entity and inventions.

5. Have you assigned trainees to work on projects sponsored by a Business Entity in which you or a Family Member has an ownership or financial interest?
Yes No

If yes, please identify the sponsored project and Business Entity.

V. Other Matters

1. If you are involved in activities or have business relationships that do not appear to be addressed by the queries above, but in your opinion should be disclosed, for example a conflict of commitment, please describe below.

RI Department of Health Question

2. Please list all healthcare facilities or healthcare entities, other than Lifespan entities, within or outside Rhode Island for which you serve on a governing or advisory board or are an officer, director, trustee, partner or in which you own a controlling interest. (All healthcare facilities or healthcare entities should be listed whether or not they do business, contemplate doing business or compete with Lifespan.) Identify the type of healthcare facility/entity (e.g., nursing facility) and your relationship. (e.g. medical director, Board of Directors, etc.)

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B.

C.

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E.

I have read and subscribe to the Lifespan Conflict of Interest policy. I understand that I should update the Disclosure Statement if any existing or contemplated activity may contravene this policy by submitting a full written description of the activity to the Lifespan Compliance Officer.

3. Do you make purchases on behalf of Lifespan, or are you in a position to influence Lifespan to make purchases, from a Business Entity in which you or a Family Member has an Ownership or Financial Interest; derive compensation, gifts, royalties, licensure fees, or consulting fees; and/or serve as an officer or director? Yes No

If yes, please identify your position with Lifespan, the Business Entity and the nature of your relationship with that Business Entity.

4. Do you participate, directly or indirectly, in Lifespan contract negotiations or are you in a position to influence such negotiations with a Business Entity, including a third party payer, in which you or a Family Member has an Ownership or Financial Interest; derive compensation, gifts royalties, licensure fees, or consulting fees; and/or serve as an officer or director? Yes No

If yes, please identify your position with Lifespan, the name of the Business Entity and the nature of your relationship with that Business Entity.

5. Do you or a Family Member have an Ownership or Financial Interest; derive compensation, gifts, royalties, licensure fees, or consulting fees; and/or serve as an officer, director or on a governing board of a Business Entity that competes⁵ with Lifespan? Yes No

If yes, please identify the Business Entity and the activities with which it competes with Lifespan.

⁵ "Compete" includes competing with Lifespan and/or any Lifespan affiliate for patients, business or providing services, or a service that is similar to that offered by Lifespan and/or an affiliate of Lifespan.

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Please briefly describe.

8. If you answered “Yes” to any of the above questions and you believe an actual Conflict of Interest exists, do you have any suggestions for eliminating or minimizing the conflict?

9. If you are involved in activities or have business relationships that do not appear to be addressed by the queries above, but in your opinion should be disclosed, for example a conflict of commitment, please describe below.

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