

**MERIDIAN HEALTH  
CONFLICT OF INTEREST POLICY**

**PURPOSE**

This Conflict of Interest Policy has been adopted by each of the corporations within Meridian Health (collectively, the “System” and individually, a “Meridian Corporation”) to ensure that all institutional decisions of a Meridian Corporation are made solely with the intent to promote the best interests of the Meridian Corporation and the safety and quality of care of its patients without regard to any favor, preference or benefit that such decision might confer, directly or indirectly, upon any individual or entity.

**SCOPE**

This Policy shall apply to each Staff Member of Meridian Health as defined below (collectively, “Staff Members”).

This Policy is intended to supplement the Conflicts of Interest Policy for Team Leaders of each of the Corporations (as the same may be amended from time to time) and any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations. This Policy also supports the related standards and guidelines outlined in the Meridian Code of Conduct.

**STATEMENT OF POLICY**

All Staff Members shall exercise the utmost good faith in all transactions touching upon their duties to the Meridian Corporation and its patients. In their dealings with and on behalf of the Meridian Corporation, Staff Members shall adhere to a strict rule of honesty and fair dealing, shall act for the benefit of the Meridian Corporation and its patients and shall not use their positions, or knowledge gained therefrom, to benefit their own interests. Each Staff Member is responsible for recognizing the existence of a Financial Interest or other potential Conflict of Interest and disclosing it as required by this Policy.

This Policy requires each Staff Member who has an Interest (as defined below) in a Meridian Corporation to disclose situations in which a potential Conflict of Interest arises so that appropriate precautions may be taken to ensure the integrity of decision-making processes related to the System and the safety or quality of care, treatment or services provided to its patients.

## DEFINITIONS

### 1. Conflict of Interest

Situations in which a Staff Member of the System may have the opportunity or appear to have the opportunity to influence a Meridian Corporation decision or use any resources or confidential or proprietary information with respect to the Meridian Corporation in ways that could lead to professional, personal, or economic gain, or otherwise give improper advantage to the Staff Member involved, his/her family or organizations in which such Staff Member or immediate family has a Financial Interest.

### 2. Interest

A compensated position or relationship, equity, uncompensated position, or other financial relationship with an entity. "Interest" is not necessarily a Conflict of Interest.

### 3. Financial Interest

A Staff Member has a Financial Interest if he/she has, directly or indirectly, through business, investment or family:

- a. An ownership or investment interest in any entity with which the Meridian Corporation has a transaction or arrangement or is negotiating a transaction or arrangement; or
- b. A compensation arrangement with any entity or individual with which the Meridian Corporation has a transaction or arrangement or is negotiating a transaction or arrangement; or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Meridian Corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors from any entity or individual doing business with or seeking to do business with the Meridian Corporation that is reasonably likely to impair, or create the appearance of impairing, the objective judgment of the Staff Member. In addition to disclosing the offer and/or acceptance of such gifts as set forth herein, all Meridian Corporation employed persons shall (i) *refuse to accept any gifts in the form of cash or gift certificates* from any entity or individual doing business with or seeking to do business with the Meridian Corporation and (ii) refuse to accept any gifts or items of value from any referral source (physician, nursing home, home health agency, durable medical company, laboratory, or other party that can submit claims for items or services to a governmental health program.

A Financial Interest is not necessarily a conflict of interest. In accordance with the process described in this Policy, the Senior Conflicts Officer, when apprised of a potential Conflict of Interest involving a Staff Member, shall make the determination if a conflict of interest exists.

#### **4. Staff Member**

All persons who provide care, treatment, or services in the System, including those receiving pay (for example, permanent, temporary, and part-time personnel, as well as contract employees), volunteers and students. The definition of Staff Member does not include licensed independent practitioners who are not paid staff or who are not contract employees.

#### **5. Team Leader**

Immediate supervisor of a Staff Member

#### **6. Immediate Family**

For purposes of this Policy, family member shall include: spouses, domestic partner as defined in the NJ Domestic Partnership Act, children, birth or adoptive parents, grandparents, grandchildren, siblings and other relative of the Staff Member or his/her spouse, or other person whether related by blood, adoption, or marriage, with whom you have knowledge, information, or belief regarding the issues of potential Conflict of Interest described in this policy.

#### **7. Senior Conflicts Officer**

The “Senior Conflicts Officer” shall be the System’s Corporate Compliance Officer or such other person as the System President shall designate from time to time.

## **PROCEDURES**

### **1. Duty to Disclose**

Each Staff Member has have an obligation to disclose promptly, fully and in good faith a Financial Interest as well as any material activities or interests which involve obligations which compete with or are in conflict with the interests of Meridian Health or potentially impact the safety or quality of care, treatment or services to its patients.

Disclosure actions will follow the processes described herein and in the related Conflict of Interest policies for the System Board and Leadership.

In the event any Staff Member identifies a potential Financial Interest or other Conflict of Interest as described in this Policy, it should immediately be disclosed in writing or electronic communication to his or her Team Leader. If the Team Leader believes there is a possibility of a Conflict of Interest he/she shall contact the Senior Conflicts Officer and, upon the request of the Senior Conflicts Officer, the Team Leader shall prepare a full written disclosure of all relevant facts regarding the Conflict of Interest.

The Senior Conflicts Officer or the General Counsel may from time to time in his or her discretion require any employed personnel to make disclosure of non-System activities and Financial Interests in order to determine whether a Conflict of Interest exists.

### **2. Determining Whether a Conflict of Interest Exists**

After disclosure of the Financial Interest or other potential Conflict of Interest, all material facts, and appropriate discussions with the Staff Member and his/her immediate Team Leader, the Senior Conflicts Officer, who may consult with the President of the Meridian Corporation with which the Staff Member is affiliated and the General Counsel of the System, shall determine whether a Conflict of Interest exists. . All situations that are determined to constitute a Conflict of Interest shall be reported to the President of the Meridian Corporation, and/or the President of the System.

### **3. Procedures for Addressing the Conflict of Interest**

Upon determining that a Conflict of Interest exists, the Senior Conflicts Officer shall take such further action or impose such requirements as may be deemed necessary and appropriate to ensure that the transaction or arrangement under consideration is in the Meridian Corporation's best interest and is fair and reasonable to the Meridian Corporation. A written report shall be provided to the President of the Meridian Corporation.

### **4. Violations of the Conflicts of Interest Policy**

Intentional failure to recognize and report a Conflict of Interest or Financial Interest shall be considered a serious breach of a Staff Member's obligation to the Meridian Corporation.

If the Senior Conflicts Officer has reasonable cause to believe that a person has failed to disclose actual or possible Conflict of Interest, he/she shall inform the Member's immediate supervisor of the basis for such belief and afford the Staff Member an opportunity to explain the alleged failure to disclose.

If, after hearing the Staff Member's response and making such further investigation as may be warranted under the circumstances, the Senior Conflicts Officer and the Meridian Corporation President determine that the Staff Member has in fact failed to disclose an actual or possible Conflict of Interest, they shall refer the matter to the Senior Vice President of Human Resources to take appropriate disciplinary and corrective action, which may include dismissal, as outlined in the Meridian Human Resources Policies.

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