



Federation of State Physician Health Programs Conflict of Interest Policy, Procedures and Disclosure Form

POLICY

The purpose of this conflict of interest policy is to prevent the professional and personal interests of the directors, officers, committee members and executive managers of the Federation of State Physician Health Programs (the "FSPHP"), from influencing the performance of their duties on behalf of the FSPHP.

The directors, officers, committee members and executive managers of the FSPHP occupy positions of trust and are obligated to discharge their duties in good faith and with undivided loyalty to the FSPHP. They must act in the course of their duties solely in the FSPHP's best interests without regard to the interests of any other organization with which they are associated or person(s) with whom they are related. They must refrain from taking part in any transaction or exploiting any opportunity if they cannot act with undivided loyalty to the FSPHP. This policy requires the disclosure of actual or potential conflicts and, when a conflict exists, requires any interested party to recuse him or herself from voting on the matter.

Adopted Jan 2019: The current members of the FSPHP Board of Directors should not, in his/her capacity as an agent of, employee of or consultant to, a third-party organization, participate in any way on behalf of the third-party organization in bidding or requests for proposals in which an FSPHP Member Organization is bidding on the same request for the proposal. The FSPHP considers such participation on behalf of a third-party organization to be an actual or apparent conflict of interest. Any member of the FSPHP Board of Directors who knows, or should know through due diligence, of such a conflict should immediately identify the conflict to the third-party organization and, in writing, to the FSPHP Member and the FSPHP Board of Directors and recuse him/herself from any participation whatsoever in any aspect of the bidding process.

PROCEDURES

Approval Required

Neither the FSPHP nor any director, officer, committee member or executive manager shall enter into any transaction or arrangement required to be disclosed under this policy, unless it is approved by the FSPHP Board as set forth below.

Definitions

As used in this policy:

"Conflict of interest" is an interest that might affect, or might reasonably appear to affect, the judgment or conduct of any director, officer, committee member or executive manager in a manner that is averse to the interests of the FSPHP.

The term "organization" includes without limitation any agency, entity, company, association, firm or other group, whether governmental or nongovernmental, and whether operated on a for-profit or nonprofit basis.

"Interest" refers to both actual and potential interests, including without limitation any position as owner, officer, board member, partner, employee, contractor, consultant or beneficiary, but shall not include the ownership of less than five percent of the outstanding voting securities of a publicly held company.

"Immediate family" means parents, siblings, spouse/domestic partner, children and grandchildren whether related biologically, through adoption or through marriage/domestic partnership.

"Interested party" means a director, officer, committee member or executive manager of the FSPHP seeking the approval required by this Policy.

Examples of Conflicts of Interest

A conflict of interest may exist if a director, officer, committee member, executive manager; a member of his/her immediate family; an organization for which the individual serves as an officer, director, trustee, partner or employee, or a prospective employer of such person:

- Has a business or financial interest in any third-party dealing with the FSPHP or a prospective grantee of the FSPHP;
- Holds office, serves on a board (other than a board of a state physician health program or service), participates in management, or is employed by any third-party dealing with or receiving funding from the FSPHP;
- Derives remuneration or other financial gain from a transaction involving the FSPHP (other than a salary or benefits expressly authorized by the FSPHP);
- Receives gifts (*) from any third-party on the basis of his or her position with the FSPHP; or
- Engages in any outside employment or other activity that will materially encroach on such person's obligations to the FSPHP; compete with the FSPHP's activities; involve any use of the FSPHP's equipment, supplies, or facilities; or imply the FSPHP's sponsorship or support of the outside employment or activity.

*Gifts as defined by the "AMA Code of Medical Ethics", Section 9.6.2 (as delineated here [https:// www.ama-assn.org/sites/default/files/media-browser/code-of-medical-ethics-chapter-9.pdf](https://www.ama-assn.org/sites/default/files/media-browser/code-of-medical-ethics-chapter-9.pdf), pages 16–17), with the understanding that the term patients in the AMA Code refers to PHP participants. *Approved by the FSPHP Board 1/2/2018 with updated reference 2019.*

Use of Information

Directors, officers, committee members and executive management shall not use information received from participation in FSPHP affairs, whether expressly identified as confidential or not, for personal gain or in a manner that is averse to the FSPHP's interests.

Board Review, Disclosure and Recusal

The FSPHP Board shall annually review the Conflict of Interest Certifications. The disclosures contained therein shall be deemed approved by the Board unless an objection is made by one or more directors. Such approval or objection shall be noted in the minutes of the Board meeting.

Whenever any individual subject to this Policy believes he or she may have a conflict of interest, he or she shall promptly notify the Board President or appropriate committee chair of such conflict.

When any conflict of interest is relevant to a matter that comes under consideration or requires action by the FSPHP Board or a committee, the director/officer/committee member shall call it to the attention of the Board President or appropriate committee chair. After being permitted to make a presentation to the Board or committee, the interested party shall recuse himself or herself from the discussion of, and the vote on, the matter. The interested party shall be counted for purposes of a quorum but shall leave the meeting before decisions are made on matters in which he/she has such an interest.

Violations of the Conflict of Interest Policy

- a) If any member of FSPHP has reasonable cause to believe an individual subject to this Policy has failed to disclose actual or potential conflicts of interest, he or she should bring it to the attention of the Board President or committee chair.
- b) If the Board President or committee chair has reasonable cause to believe an individual subject to this Policy has failed to disclose actual or possible conflicts of interest, the President/chair shall inform the individual of the basis for such belief and afford the individual an opportunity to either explain the alleged conflict of interest or to disclose it.
- c) If an individual subject to this Policy fails to or refuses to disclose, and the President/chair, after making further investigation as warranted by the circumstances, determines that there is an actual or possible conflict of interest, the President/chair shall refer the matter to the FSPHP Board for appropriate disciplinary or corrective action.

- d) If any member of FSPHP has reasonable cause to believe that the Board President or Committee Chair has failed to disclose actual or possible conflicts of interest, the Board or Committee Member shall inform the Board President and afford the Board President or Committee Chair an opportunity to either explain the alleged conflict of interest or disclose it.
- e) If the Board President or Committee Chair subject to this Policy fails to or refuses to disclose, the matter shall be referred to the Chairman of the FSPHP Ethics Committee, and after making further investigation as warranted by the circumstances, the Chairman of the FSPHP Ethics Committee determines that there is an actual or possible conflict of interest, the Chairman of the FSPHP Ethics Committee shall refer the matter to the FSPHP Board for appropriate disciplinary or corrective action. In this event, the Board President or Committee Chair shall not participate in the FSPHP Board proceedings determining the appropriate disciplinary or corrective action and the remaining members of the Board shall elect a President, *pro tempore*, to preside.
- f) The minutes of the meeting of the Board or committee shall reflect any conflict of interest that was disclosed and that the interested party was not present during discussion or decision on the matter and did not vote.

Annual Certification Process

This Policy and its Certification shall be distributed to and reviewed annually by the directors, officers, committee members and executive managers, each of whom has a continuing responsibility to evaluate their transactions, outside business interests and relationships for potential conflicts of interest, and to make such disclosures as described in this Policy. The Secretary shall be responsible for asking each individual subject to this Policy to complete a Certification in the form attached with disclosures of any known conflicts of interest upon his or her election, re-election or appointment and annually thereafter. Each individual subject to this Policy shall promptly update his or her certification to disclose any interest, transaction or opportunity covered by this Policy that arises during the annual reporting period by requesting a new form from the Secretary and returning the updated form to the Secretary.

I have reviewed and agree to comply with the foregoing Conflict of Interest Policy and Procedures:

FSPHP Director/Officer/Committee Chair/Member/Executive Director

Dated: _____

Adopted by the Board of Directors of the Federation of State Physician Health Programs
February 2016.

Updated by the FSPHP Board of Directors January 2019.