

	Subject: Conflict of Interest	Number: JP-1
	Function: Corporate Compliance Joint UMHC/SOM Policy	Created: 12/07/2007
	Applies To: University of Missouri Health Care & The University of Missouri-Columbia School of Medicine	Effective: 01/01/2008

OBJECTIVE

To establish guidelines for interactions with industry representatives and potential referral sources with the workforce members of University of Missouri Health Care (UMHC) and the University of Missouri-Columbia School of Medicine (SOM).

DEFINITIONS

- Conflict of interest:** An actual, potential or perceived conflict of interest occurs in those circumstances where an individual's judgment could be affected because the individual has a personal interest in the outcome of a decision over which the individual has control or influence. A conflict of interest exists when an officer, agent or an employee influences any organizational business transaction, research activity or other decisions in ways that lead to personal gain or profit either directly or indirectly for the officer, agent or employee or for his/her immediate family members, other than salary from the organization, or when the officer, agent or employee divides his/her loyalties or actions between the organization's interest and those of a third party.
- Financial interest:** Includes income or other remuneration, as well as investments and ownership interests in a non-University business concern. It does not include stocks, bonds and other securities sold on a national exchange, mutual funds or certificates of deposits and other depository accounts at financial institutions.
- Immediate family member: According to the Collected Rules, Relatives by blood or marriage -** Relatives by blood within the second degree – A person is related by blood (consanguinity) as closely as the second degree by the common law to the following: children; grandchildren; parents; grandparents; brothers and sisters; nephews and nieces; uncles and aunts; and first cousins. **Relatives by marriage with the second degree -** A person is related by marriage (affinity) as closely as the second degree to his or her spouse and the following blood relatives of his or her spouse: children; grandchildren; parents; grandparents; brothers and sisters; nephews and nieces; uncles and aunts; and first cousins. **Other persons considered as relatives –** The half blood shall be considered as whole blood. Stepchildren, stepparents, etc. shall be considered the same as blood relatives of the person or their spouse as the case may be. An *in loco parentis* relationship shall be considered the same as a blood relationship to the person or their spouse as the case may be. (see Collected Rules 320.040)
- Potential referral sources** include: a doctor of medicine or osteopathy, a doctor of dental surgery or dental medicine, a doctor of podiatric medicine, a doctor of optometry, a chiropractor, or other providers (including APRN's) with primary care responsibilities.

5. **Workforce** members include all officers, agents, employees, students, residents, faculty members and physicians of UMHC and/or the SOM who participate in, control, or manage the affairs of the organization, and who are accountable to its values mission and goals.
6. **Organization as used in this policy includes both UMHC and SOM**

POLICY

All medical, financial and operational decisions made within UMHC and SOM shall be made in the interest of our patients and their families, UMHC and SOM, and the University of Missouri. Any decision made by an employee or medical staff member that does not uphold this policy statement will be considered as a potential conflict of interest that must be disclosed, reviewed and managed as necessary.

GENERAL INFORMATION

1. Workforce members are expected to avoid all situations that present or may present an actual, potential, or perceived conflict between the workforce member's personal interest and the best interest of patients and the organization. Workforce members, in the exercise of their clinical, operational or administrative authority and fulfillment of their duties to the organization, shall not be unduly influenced by other workforce members who have an actual or potential conflict of interest with the organization. Workforce members who enter into undisclosed conflicts of interest may be subject to discipline up to and including dismissal from employment under the Collected Rules of the University of Missouri, as well as subject to personal liability or criminal prosecution.
2. Interactions with industry may occur in a variety of legitimate contexts, including marketing of new pharmaceutical products, medical devices, and research equipment and supplies on-site, on-site training of newly purchased devices, the research and development of new devices, drugs and other medical products, educational support, and continuing medical education.
3. Workforce members may also participate in interactions with industry off campus, and in scholarly research and publications. Many aspects of these interactions are positive and important for promoting the educational, clinical and research missions of UMHC and SOM. However, these interactions must be ethical and cannot create conflicts of interest that could endanger patient safety, data integrity, the integrity of our education and training programs, or the reputation of either our workforce members or the institution.
4. Full-time members of the School of Medicine are expected to devote their primary professional loyalty, time, and energy to their teaching, research, administrative responsibilities and patient care at the School and University Hospitals. Accordingly, they should arrange outside activities so as not to interfere with the primacy of these commitments. A time commitment towards outside activities not to exceed twenty percent (20%) may be allowed, but only if approved by the Dean of the School of Medicine.
5. A faculty member who serves on the Board of Directors, or is an executive of a business is not permitted to participate in clinical research on a technology owned by or obligated to the business regardless of whether he/she has a financial interest in the business and is not permitted to receive sponsored research from that business regardless of whether he/she has an financial interest in the business. This provision does not apply to a faculty member who is a member of a Scientific Advisory Board and who does not either hold an executive position or serve on the Board of Directors.

6. The following external activities may be allowable only after disclosure, review, and approval by the Dean of School of Medicine and Chief Executive Officer of the Health Care System with advice from the Compliance Review Committee.
 - a. A faculty member making clinical referrals to a business in which such faculty member, a member of his/her family, or an associated entity has a financial interest.
 - b. A faculty member possessing a financial interest in a business which competes with the services provided by the university.

PROCEDURE

Disclosure of Conflicts of Interest

1. UMHC and SOM workforce members shall annually complete a web-based disclosure form disclosing possible conflicts of interest (see Appendix A). The mechanism for this disclosure will be either the web-based form that is located at: <https://research.missouri.edu/apps/coic/> or the printed form found in Appendix A.
2. The Compliance Review Committee which is staffed by members of both UMHC and SOM shall be jointly responsible for reviewing all disclosure questionnaires/certifications to determine whether a conflict exists.
3. Compensation and reimbursement for travel, lodging and out of pocket expenses connected with providing legitimate speaking services to professional organizations do not require disclosure.
4. Whenever a conflict of interest exists, or may appear to arise and is not immediately eliminated, a full disclosure in writing of all relevant facts and circumstances must be made to the Compliance Review Committee within 30 days of discovery of such conflict.
5. Each such disclosure shall be reviewed jointly by UMHC and SOM administrations to determine whether or not a conflict exists, and if corrective action to manage the conflict is indicated. Decisions as to corrective action shall take into account the nature of the conflict, its origin and the importance or scope of the transactions involved.
6. The determinations of the UMHC/SOM Compliance Review Committee will be forwarded through the CEO - UMHC, and the Dean – SOM, to the MU Campus Conflict of Interest Committee.

Disclosure of Relationships with Industry

1. Workforce members are prohibited from publishing articles under their own names that are written in whole or material part by industry employees.
2. In scholarly publications, workforce members must disclose their related financial interests in accordance with the International Committee of Medical Journal Editors (www.icmje.org).
3. Workforce members with supervisory responsibilities for students, residents, trainees or staff should ensure that the workforce member's conflict or potential conflict of interest does not affect, or appear to affect, his or her supervision of the student, resident, trainee, or staff member. See the ACCME Standards for Commercial Support (www.accme.org).
4. Workforce members having a direct role making institutional decisions on equipment or drug procurement must disclose to the UMHC Supply Chain Division, prior to making any such decision, any financial interest they or their immediate family have in

companies that might substantially benefit from the decision. Such financial interests could include equity ownership, compensated positions on advisory boards, a paid consultancy, or other forms of compensated relationship.

5. Workforce members must also disclose any research or educational interest they or their department have that might result in substantial benefit from their decisions.
6. The UMHC Supply Chain Division will decide whether the individual must recuse him/herself from the purchasing decision. This provision excludes indirect ownership such as stock held through mutual funds.

Gifts

1. Gifts of significant value may *not be accepted* for individual use by a workforce member from any past, present or future UMHC or SOM vendor, business associate, contractor, or anyone who has or hopes to have a business relationship with UMHC or SOM. Small tokens like pens, memo pads, trinkets, and inexpensive food are acceptable but not encouraged, so long as each instance is \$5.00 per workforce member or less, and \$75 or less annually per vendor per workforce member.
2. While this policy establishes a “de minimus” standard, it is strongly advised that no form of personal gift from industry be accepted under any circumstances to avoid even the appearance of inappropriate influence. Workforce members should be aware of other applicable policies, such as the AMA Statement on Gifts to Physicians from Industry (<http://www.ama-assn.org/ama/pub/category/4001.html>), the Accrediting Council for Continuing Medical Education Standards for Commercial Support (www.accme.org), and the Phrma Code for industry interactions with health care professionals (http://www.phrma.org/code_on_interactions_with_healthcare_professionals/)
3. Workforce members may, with the facility director’s or Dean’s approval, provide gifts, entertainment and meals of greater than nominal value to customers, current and prospective business partners and other persons when such activities have a legitimate business purpose and are reasonable and consistent with applicable laws, UM Collected Rules and Regulations, UMHC and/or SOM policies.
4. Specific rules apply to potential beneficiaries of any federally funded health care program, referral sources and vendors. See sections entitled: *Gifts to Medicare and Medicaid Beneficiaries, Business Courtesies with Potential Referral Sources and Business Courtesies with Vendors* below prior to accepting or providing any gifts.
5. Departments or Divisions may accept gifts from any source into official UMHC or SOM Gift Accounts, so long as the gift meets the requirements of the UM Collected Rules and Regulations, UMHC and/or SOM policies.
6. Workforce members may not accept gifts or compensation for listening to a sales talk by an industry representative. Any food provided as a part of a sales talk must conform to the \$5 per workforce member per instance, \$75 per vendor per year per workforce member provision in paragraph #1 of this section.
7. Workforce member may not accept gifts or compensation for prescribing or changing a patient’s prescription.
8. Workforce member must consciously and actively divorce clinical care decisions from any perceived or actual benefits expected from any company. It is unacceptable for patient care decisions to be influenced by the possibility of personal financial gain.
9. Workforce member may not accept compensation, including the defraying of costs, for simply attending a CME or other activity or conference (assuming the workforce member is not speaking or otherwise actively participating or presenting at the event).

10. Industry support for workforce member should be free of any actual or perceived conflict of interest, and must be specifically for the purpose of education and must comply with all of the following provisions:
 - A. The employing department, program or division selects the student or trainee.
 - B. The funds are provided to the department gift account, program, or division and not directly to student or trainee.
 - C. The department, program or division has determined that the funded conference or program has educational merit.
 - D. The recipient is not subject to any implicit or explicit expectation of providing something in return for the support, i.e., a “quid pro quo.”
 - E. This provision may not apply to national or regional merit-based awards, which are considered on a case-by-case basis.
11. Medical staff should evaluate very carefully their own participation in meetings and conferences that are fully or partially sponsored or organized by industry because of the high potential for perceived or real conflict of interest. The Office of Corporate Compliance and the SOM Office of Compliance and Quality are designated to assist in researching questions in this area.
12. This provision does not apply to meetings of professional societies that may receive partial industry support (meetings governed by ACCME Standards). Workforce members who actively participate in meetings and conferences supported in part or in whole by industry (e.g., by giving a lecture, organizing the meeting) should follow these guidelines:
 - A. Financial support by industry is fully disclosed by the meeting sponsor.
 - B. The meeting or lecture content is determined by the speaker and not the industrial sponsor.
 - C. The lecturer is expected to provide a fair and balanced assessment of therapeutic options and to promote objective scientific and educational activities and discourse.
 - D. The UMHC or SOM participant is not required by an industry sponsor to accept advice or services concerning speakers, content, etc., as a condition of the sponsor’s contribution of funds or services.
 - E. The lecturer makes clear that content reflects individual views and not the views of UMHC or the SOM
 - F. The use of the UMHC or SOM name in non-UMHC or SOM event is limited to the identification of the individual by his or her title and affiliation.

Gifts to Medicare and Medicaid Beneficiaries

1. Under Federal Guidelines, it is acceptable to offer Medicare and Medicaid beneficiaries inexpensive gifts (other than cash or cash equivalents) and transportation, so long as the gift or services have a retail value of no more than \$10 individually and no more than \$50 in the aggregate annually per patient.
2. More expensive items or services (greater than \$10) may be provided if they fit within one of the following five statutory exceptions:
 - A. Waivers of cost-sharing amounts based on financial need
 - B. Properly disclosed co-payment differentials in health plans
 - C. Incentives to promote the delivery of certain preventive care services
 - D. Any practice permitted under the federal anti-kickback statute pursuant to 42 CFR 1001.952 or
 - E. Waivers of hospital outpatient co-payments in excess of the minimum co-payment amounts.

Business Courtesies with Potential Referral Sources

1. Nothing in this policy permits any business courtesy or other benefit that is understood by either party to be offered or provided as an inducement to refer patients or businesses or as a reward for such referrals, nor may a business courtesy be extended to a potential referral source who solicits it.
2. Under Federal Guidelines, UMHC or SOM may extend business courtesies to a potential referral source and his/her immediate family members provided the total value of such business courtesies does not exceed \$300 per calendar year. A health system employee may extend a business courtesy to a potential referral source and his/her immediate family members under the following conditions:
 - A. It *is not* cash or a cash equivalent (e.g. gift certificates, checks or stock instruments);
 - B. It *does not* exceed \$300 in value or cause the total value of business courtesies extended to the same potential referral source and that potential referral source's immediate family members to exceed \$300 for the calendar year;
 - C. It is *not* determined in any manner that takes into account the volume or value of referrals or other business generated by the referring physician; and
 - D. All business courtesies are approved by the facility director.
3. Business courtesies paid for by UMHC must be within the \$300 limit, and must be tracked through the expense reimbursement or purchasing system. Examples include:
 - A. A special dinner at a restaurant for potential referral sources and their spouses to recognize potential referral sources when annual mortality data is released;
 - B. A dinner at a restaurant or administrator's home to celebrate a milestone for the facility such as the end of a project or the launch of a new service;
 - C. Paying the greens or entry fees for a potential referral source for golf (whether one-on-one or for a charity or facility golf tournament);
 - D. Providing tickets for potential referral sources and/or their immediate family members to sporting or theatrical (or similar) events;
 - E. Providing flowers or other gifts to potential referral sources or their immediate family members when they are hospitalized or to recognize a birthday or other family occasion;
 - F. Hosting holiday or other parties for medical staff members and their spouses or guests; or
 - G. Perishable items that are sent to a physician's office when it is anticipated the physician will share in the enjoyment of items. The value to each physician in the practice is the total cost of the item divided by the number of persons who will enjoy the benefit of the items (*i.e.* total number of physicians and employees in the practice). Such calculation does not need to be determined for food and beverages provided to the office staff. If the physician is expected to participate or is known to have participated in a modest meal that the facility provides a practice, the facility is to attribute \$10 toward the physician's business courtesies limit.
4. The following activities are NOT considered business courtesies and may be provided to potential referral sources. Because they are not considered business courtesies, they do not count toward the \$300 annual business courtesy limit and do not need to be tracked. Specifically, a facility may:

- A. Confer on potential referral sources who are members of the medical staff benefits valued at less than \$25 per occurrence and which occur within a hospital, ambulatory surgery center or other health system campus provided:
 - i. The benefits are offered only during periods when the potential referral source is making rounds or engaged in other services or activities that benefit the facility or its patients;
 - ii. All members of the medical staff practicing the same specialty are offered the same benefit;
 - iii. The benefit is reasonably related to the provision of, or designed to facilitate directly or indirectly the delivery of medical services at the facility; and
 - iv. The benefit is not determined in any manner that takes into account the volume or value of referrals or other business generated between the parties.
 - v. An example of this exception would be free parking in the facility's parking deck/lot.
 - B. Provide items in exchange for their fair market value price.
 - C. Pursuant to a professional services agreement that provides for it.
 - D. Pay for a meal incident to a meeting with a potential referral source to discuss issues relating to the potential referral source's medical directorship on behalf of the facility.
 - E. Pursuant to a letter of appointment that provides for it.
 - F. Provide dinners for its potential referral sources that attend the facility's medical executive committee (or similar) meetings.
5. The following are also NOT considered business courtesies:
- A. An administrator who has become friends with a potential referral source and/or immediate family member and who socializes with such individual(s) may personally pay for the cost of social events, *provided* the administrator not include this item as a business expense for tax purposes and not charge the facility or otherwise receive reimbursement from the facility to cover this expense.
 - B. A potential referral source that is also the spouse of a facility administrator may attend facility social events in his/her capacity as the administrator's spouse and such events do not count toward the \$300 business courtesies limit and do not need to be tracked.

Business Courtesies with Vendors

- 1. Vendors are prohibited from providing gifts of significant value to any individual workforce member (see gift section paragraph #1).
- 2. Vendors may provide funds to help underwrite the cost of educational programs under the following conditions:
 - A. UMHC or SOM does not contract with a vendor for goods and/or services and at the same time obligate the vendor to provide funding for educational programming in connection with or contingent upon a vendor providing such goods and/or services.
 - B. The appropriate approvals are obtained in advance.
 - C. The event is not limited to only UMHC or SOM participants.
 - D. Travel is within the continental United States and lodging is less than three nights. If the request involves travel outside the continental United States or lodging in excess of three nights, the employee must also receive approval from the facility director.

- E. All funds must be received into an approved UMHC or SOM gift account for disbursement.
 - F. If the request is for an executive, the COO or Dean, SOM or their designees must approve the request.
3. Workforce members who provide speaking or other services on their own time and expense, may accept reasonable compensation and reimbursement for travel, lodging and out of pocket expenses connected with providing the services. Workforce members who provide speaking or other services on UMHC or SOM time may, with their facility director's approval, accept reasonable compensation and reimbursement for travel, lodging and out of pocket expenses connected with providing the services, provided the funds are received into an approved UMHC or SOM gift account. Workforce members must return any remuneration or reimbursement to UMHC or SOM for any travel, lodging and out of pocket expenses the health system may have incurred connected with providing the services.
 4. Vendor representatives who violate the above policy are subject to debarment from all UMHC or SOM facilities and vendor management will be contacted in order to request a replacement representative. Appropriate federal regulatory agencies may also be contacted.

Note: Questions about this policy and its application and interpretation, or for research and guidance, should be directed to the UMHS Office of Corporate Compliance at 884-0632, or the SOM Office of Compliance and Quality at 882-2460.

Key Content Experts: Director, Office of Corporate Compliance, and Director, SOM Office of Compliance and Quality

Approved:

 James H. Ross, Chief Executive Officer
 University of Missouri Health Care

 William M. Crist, Dean University of
 Missouri-Columbia School of Medicine

 Date

 Date