

Policy/Procedures	POLICY NO:	UOP ACO-COMP-001
CONFLICTS OF INTEREST POLICY	SECTION/OWNER:	CCO
	EFFECTIVE DATE:	01/01/2017
	DATE TO QIC:	01/15/2017
	DATE TO BOARD:	01/31/2017

1.0 PURPOSE

This policy and procedure applies to the UOP ACO. This policy addresses anyone working for, serving on, representing, or with the UOP ACO Corporation. The purpose of this Policy is to protect UOP ACO Corporation’s interests when it is contemplating a transaction or arrangement with an interested person/s.

2.0 ACRONYMS

ACRONYM	DESCRIPTION
UOP	Untied Outstanding Physicians
ACO	Accountable Care Organization
CCO	Chief Compliance Officer

DEFINITIONS

TERM	DEFINITION
ACO	A healthcare organization that ties payments to quality metrics and the cost of care. ACOs in the USA are formed from a group of coordinated health care providers.
Interested Persons	An “interested person” is any Director or officer of UOP ACO Corporation, member of a compensation committee or any committee with Board delegated responsibilities or employee of UOP ACO Corporation who has a direct or indirect “financial interest” in the matter under consideration.
Financial Interest	A person has a “financial interest” if that person, directly or indirectly, through employment, business, investment or family members has an actual or potential (i) Ownership or investment interest in any entity with which UOP ACO Corporation has entered into or is negotiating a contract, transaction or arrangement, or

	(ii) A compensation arrangement with UOP ACO Corporation. Compensation includes direct or indirect remuneration or other benefits which are substantial in nature.
Compensation Committee	A "compensation committee" is any committee whose role includes matters directly involving the amount of or formula for any payment, in cash or in kind, for services or for the purchase, lease or other use of tangible or intangible assets.
Family Member	"Family member" means any of the following: spouse; natural or adoptive parent, child or sibling; stepparent, stepchild, stepbrother or stepsister; father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law; grandparents and grandchildren; and spouses of a grandparent or grandchild.
Conflict of Interest	Refers to a situation where an interested person has a financial or other interest that may influence, or have the appearance of influencing, their judgment, decisions or actions relating to UOP ACO.

3.0 ACCOUNTABLE

Chief Compliance Officer, Chief Executive Officer, Executive Director, Chief Operating Officer, Chairman of the Board, Board Members.

4.0 POLICY

UOP ACO will maintain, identify and manage potential conflicts of interest throughout the UOP ACO and identify information as necessary to follow as related to the CMS ACO Guidelines.

Persons serving in governance at Southeast Michigan Accountable Care, Inc. (the "Corporation") and employees of the Corporation owe a duty of loyalty and fidelity to the Corporation, requiring them to exercise their best care, skill and judgment for the benefit of the Corporation. Persons serving in governance and employees of the Corporation are required to disclose any pluralities of interest or possible conflicts of interest that may affect their judgment in making decisions on behalf of the Corporation.

Because of the varied interests and backgrounds of persons who serve, the Corporation does not intend that service to the Corporation be precluded by all pluralities of interest. Pluralities

of interest, however, should be disclosed prior to acceptance of appointments to governance or employment positions or as they develop during tenure of service. Some conflicts of interest of a material and continuing nature may preclude service to the Corporation. This Conflicts of Interest Policy (“Policy”) is not intended to negate such appointments if those considerations are clearly stated in advance to all affected parties.

5.0 PROCEDURE

UOP ACO will implement the procedures related to this policy:

A. Reporting Potential Conflicts of Interest.

Conflicts of interest do not necessarily involve intentional wrongdoing, but can result from a combination of completely innocent circumstances. It is therefore important that all officers, Board members, members of committees with Board delegated responsibilities and employees of the Corporation record all instances of possible duality of interest or conflict of interest on the Disclosure of Interest Form attached hereto as Exhibit A at the beginning of his or her appointment or employment and annually thereafter. See Article VI below for examples of actual and potential conflicts of interest.

B. Procedures for Addressing Conflicts of Interest.

If a Board member, member of a committee with Board delegated responsibilities or employee presenting a proposal to the Board, committee or management (or member of such person’s immediate family) has a financial interest in or employment relationship with an entity which does business with the Corporation, that person is an interested person and should act in accordance with the following procedures.

1. The interested person shall fully disclose the conflict to the Board or committee members present and such disclosure shall be reflected in the records of the meeting.
2. The interested person is precluded from participating in any vote on the matter and shall be required to leave the meeting for the vote on that agenda item. Prior to leaving the meeting, however, the interested person may make a statement on or discuss the matter involving the conflict, and the Board or committee members present may ask the interested person questions about the matter.

3. The Corporation will establish a mechanism for further reviewing the conflict, *e.g.*, a multi-disciplinary committee. If it is determined that a willful or inexcusable breach of Corporation policy is involved, remedies such as demands for reimbursement or discipline up to and including termination may be invoked.

4. In the event the Board or committee decides to go forward with a contract, transaction or arrangement which results in a conflict of interest, it shall do so only if it determines by a vote of the non-interested Board or committee members present that the contract, transaction or arrangement is in the best interest of the Corporation and is fair and reasonable.

C. Compensation Decisions.

A voting member of the Board or of any committee which makes decisions or recommendations on compensation, directly or indirectly, from the Corporation for services or assets is precluded from voting on matters pertaining to his or her own specific personal compensation for such services or assets (as distinguished from a model compensation plan or range for a service generally) and from agreeing to trade or sell his vote on someone else's compensation from the Corporation.

D. Investigation of Employee Conflicts.

In cases where an employee appears to have a conflict of interest, the situation should be fully investigated by the employee's immediate supervisor.

6.0 AMENDMENT

This Policy may be amended and restated only in the same manner as the Bylaws of the Corporation may be amended or restated.

7.0 EXAMPLES OF CONFLICTS OF INTEREST

Although it is impossible to list every circumstance giving rise to a possible conflict of interest, this section of the Policy will serve as a guide to actual conflicts of interest that must be avoided and potential conflicts that must be disclosed.

- A. Actual Conflicts of Interest.** The following are examples of circumstances where actual conflicts of interest exist and which must be avoided.

1. When a Board member, member of a committee with Board delegated responsibilities, or employee serves as an agent or employee of another employer under circumstances detrimental to the Corporation.
2. When a Board member, member of a committee with Board delegated responsibilities or employee uses confidential information of the Corporation for non-Corporation business purposes; and when an employee conducts personal business for gain on company work time.
3. When a Board member, member of a compensation committee or any committee with Board delegated responsibilities or employee accepts bribes, payoffs, kickbacks or related forms of gain.

B. Potential Conflicts of Interest. The following are examples of circumstances where potential conflicts of interest may exist and which must be disclosed:

1. When a Board member, member of a committee with Board delegated responsibilities or employee (or a member of such person's family) holds a position or a material financial interest in any outside concern from which the individual has reason to believe the Corporation secures goods or services (including the services of buying or selling stocks, bonds or other securities), or that provides services competitive with the Corporation. A material financial interest is an interest meeting any one of the following tests:
 - a. Such financial interest represents capital stock, obligations, or a combination of both, of any concern, the capital stock or obligations of which have an aggregate value in excess of \$500,000.
 - b. Such financial interest represents in excess of 5% (in vote or value) of the total outstanding equity securities of an outside concern.
2. When an employee conducts Corporation business with a customer or supplier of which a family member is a principal or representative.

3. When a Board member, member of a committee with Board delegated responsibilities or employee has extended interests as a Board member, committee member, employee or consultant in a business that either provides services or seeks to provide services to the Corporation or which competes with services of the Corporation.

REFERENCES

CMS: https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/sharesavingsprogram/Quality_Measures_Standards.html

DOCUMENT HISTORY (examples)

DATE	DESCRIPTION OF CHANGE	Accountable
01/01/2017	Original document	AC Director of Clinical Outcomes & Improvement