

111 Michigan Avenue, N.W. Washington, DC 20010-2970

SUBJECT: Conflicts of Interest **PROCEDURE** #: C-14P

DATE EFFECTIVE: September 26, 1990 **PAGE:** 1 of 8

I. <u>INTRODUCTION</u>

All Children's National employees, and in particular those who are authorized to:

- spend Children's National funds;
- enter into contracts;
- hire independent contractors or
- purchase supplies or materials or services for Children's National

agree to use their authority **solely** in Children's National best interests.

Employees <u>must</u> avoid even the appearance that their personal interest might influence their actions on behalf of Children's National. An increasing body of regulation addresses the restrictions on such activity. The Children's National Code of Conduct describes the way in which employees must conduct business. (In addition, reference is made to the Employee Conduct Policy #C13.)

Children's National employees are expected to conduct themselves on and off duty in a manner consistent with the mission, values and interests of the organization. All employees must avoid activities that would compromise the objectivity and integrity of their actions on behalf of Children's National or would give the appearance of having compromised their actions.

Employees should not solicit or accept any personal gift, gratuity, favor, entertainment, loan, reward or anything of monetary value that might influence their judgment concerning the provision of patient care, or the performance of their duties.

Employees should not use their position or status at Children's National, or information acquired as a result of their position or status for personal gain or for the personal gain of others whom they may have a relationship.

Employees may not work or consult for, advise or manage any business or entity that does significant business with Children's National or is a competitor of Children's National without first making a full disclosure.

Employees may not conduct business on behalf of Children's National with a business or entity in which the employee has a financial, familial or other personal interest, unless they first disclose both the nature of interest and proposed business dealings and obtain prior written approval.

Employees may not hire or conduct business on behalf of Children's National with a relative or a person with whom they have a romantic or personal relationship unless they have fully disclosed the relationship and have obtained written approval.

II. PROCEDURE

1. **Disclosure procedure** To disclose a real or potential conflict of interest, the disclosure shall include the name and nature of the business or entity, the service the employee will provide, the length of service expected and all compensation and benefits the employee expects to derive from the service. The employee may be required to obtain written approval from a Corporate Vice President or above before the employee may engage in such an outside interest.

Who is Obligated to Disclose Conflicts of Interest?

Members of all Children's National Boards of Directors will routinely disclose any possible Conflicts of Interest in accordance with the rules and procedures of the Board.

Employees on an annual basis will notify the Compliance Department of any possible Conflicts of Interest by completing an Employee Conflict of Interest Disclosure form. During the course of employment, should the employee become aware of a possible conflict of interest, the employee should update their information on file in the Compliance Department.

All Faculty at Children's National are employees and must conform to the reporting requirements. However, Faculty Conflict of Interest Disclosure forms and outside income statements will be updated annually and filed in the Medical Staff Office.

Faculty and Staff involved in Research activities must comply with disclosure requirements of Children's Research Institute as described below. See Section III.

Faculty members are expected to conduct interactions with the pharmaceutical, biotechnology and device industries with the highest degree of personal integrity and professionalism.

- **2. Gifts from patients** If a patient family wishes to make a donation, they should be encouraged to contact the Children's National Foundation Office. They may designate their gift for a special, specific purpose.
- **3. Gifts from persons or entities (vendors)** In general employees should not accept any gift or gratuities directly from vendors, consultants or independent contractors. The soliciting of vendors for gifts and gratuities is strictly prohibited.

Compliance with the following guidelines is critical to avoid violating anti-kickback statutes, STARK and other laws governing Children's National reporting.

On occasion, business may require physicians, staff, managers or employees to accept gifts of nominal value (\$100) if the following requirements are met:

- The donor makes similar gifts to others
- The gift is not linked to referrals and
- The acceptance of the gift will not influence or appear to influence the performance of the employees duties
- 4. Donations, professional meetings, and conferences sponsored by vendors. Children's National makes every effort to build solid relationships with our vendors. (See the Vendor Management Policy and Procedure and the Employee Gift Policy and Procedure, CFH118 and CFH118P). We recognize the expertise in our vendor community and the valuable contribution they make in particular to the education and training of our clinical staff on current products and services. Vendor-sponsored education, training and conferences should be approved by the Compliance Office.

Token "consulting" or "advisory" arrangements should not be used to justify compensation.

5. Use of position for personal gain or influence No employee may request or accept from any other Children's National employee services of a personal nature, including but not limited to services involving the employee's non-work time and matters unrelated Children's National business, unless approved by a Corporate Vice President or above.

No employee may use his or her position with Children's National, or that of any other hospital employee, to obtain an advantage in negotiations with a business, entity or person for any purpose unrelated to Children's National. This includes but is not limited to negotiations for the purchase of goods or services for the employee's personal use.

- **6. Misuse of organizational information including protected patient information** Non-public, proprietary organizational information obtained as a result of employment or position may not be used for personal gain or for the gain of others.
- **7. Reporting suspected violations** Violations of this policy may result in corrective action up to and including termination. Employees may report to immediate manager. Employees may also report suspected violations to the Compliance Hotline (ext. 6464). Employees may also report directly to Legal, Compliance or Human Resources Departments.
- **8. Record Retention** Records under this Procedure will be retained for at least three years from the date of final expenditures report submission in connection with research, or other dates as specified in 45 CFR 74.53 (b).
- **9. Interpretation** Questions concerning interpretation or applicability of this procedure should be directed to the Corporate Compliance Officer who will resolve questions in coordination with the Compliance Oversight Committee.
- **10. Sanctions for failure to comply** Failure to comply with this Conflict of Interest Procedure may result in corrective action consistent with CNMC Corrective Action Policy Procedure (available on the intranet).

III. ACCOUNTABLE EXECUTIVE AND REVIEWER(S)

- A. Accountable Executive: SVP & CLO; Corporate Vice President, Human Resources
- B. Department Responsible for Review: Legal

IV. APPROVAL

Approved by: Leadership Council Date: June 1, 2009

V. REVIEW OR REVISION DATES

Original: September 26, 1990 Reviewed: July 16, 1992 Revised: October 5, 1998 Revised (2): September 1, 2001 Revised (3): October 15, 2004 Reviewed: June 30, 2006

VI. REFERENCE

C-14, Conflict of Interest Policy Attachments:

- **A- Chart of Existing Financial Disclosure Forms**
- **B- Questionnaire Declaring Potential Conflicts of Interest**
- **C- CRI Conflict of Interest in Research Disclosure**

Existing Financial Disclosure Forms

	Form Name	Who Completes?	Where to Submit?	How often?
1				
1	The George Washington University Financial Interest Disclosure Form	• Faculty	Arlene Gendron	 Upon employment Annually – May 1 Every time relevant circumstances change
2	CNMC Non-Faculty Employee Questionnaire Declaring Potential Conflicts of Interest	• Non-Faculty	Compliance Office	 Upon Employment Annually – May 1 Every time relevant circumstances change
3	Study Specific Financial Disclosure Form (FDF)	All individuals involved in the design, conduct, or reporting of research (Investigator)	 Pre-award: To OSP for every grant application being submitted or a contract being initiated Post-award: As a condition of full approval of a study, IRB or IACUC will verify that a FDF is in place for all investigators 	 Every time a grant is submitted or a contract is being executed At the time of progress report submission (per sponsor guidelines) Every time relevant circumstances change
4	Outside Income Reporting Form	• Faculty	Office of Chief Medical Officer	Once a year in April
5	Industry Sponsor-specific Financial Disclosure Forms	• Investigators engaged in Industry studies	To the sponsor	 Every time a contract is being executed Per sponsor guidelines Every time relevant circumstances change
6	CNMC and CRI Boards of Directors Conflict of Interest Form	• CNMC and CRI Board Members	Carl Spatz	 30 days after appointment Annually – January 1
7	CNMC IRB and IACUC Member Conflict of Interest and Financial Disclosure Form	• IRB and IACUC Members	•	•

CHILDRENS NATIONAL MEDICAL CENTER

QUESTIIONNAIRE DECLARING POTENTIAL CONFLICTS OF INTEREST

This document applies to employees of Children's National Medical Center (CNMC). Children's Hospital (CH), Children's Hospital Foundation (CHF), Children's Research Institute (CRI), National Safe Kids (NSK), Children's National Health Network (CNHN) and Children's Pediatricians & Associates (CP&A) and will be completed annually by Managers and Service Directors.

All CNMC employees, and in particular those who are authorized to spend Hospital funds, enter into contracts, hire independent contractors, or purchase supplies or materials or services for the Hospital, agree to use their authority solely in CNMC's best interests. Employees must avoid even the appearance that their personal interest might influence their actions on behalf of CNMC.

All employees must avoid activities that would compromise the objectivity and integrity of their actions on behalf of Children's or give the appearance of having compromised their actions.

Please answer the following questions to the best of your knowledge. Circle "None" when appropriate. Disclose any situation in doubt.

1. Outside Interests

Identify any of your interests (other than investments) or those of your immediate family (defined as siblings, spouse, children, grandchildren, and parents) in which a position is held as an officer, director, trustee, member or employee in any outside concern which supplies, purchases from, contracts with or competes with CNMC or any of it affiliates.

		CNMC or any of it affiliates.	
(None)			
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2.	Invest	tments	
		List and describe, with respect to you and your immediate family, the holding of a	
		"material" financial interest (defined as direct or indirect ownership of or any	
		beneficial interest in more than 5% of any entity) in any concern which supplies,	
		purchases from, contracts with or competes with CNMC or any of its affiliates.	
		1	
		(None)	

3.	Outside Activities Identify any of your activities or those of your immediate family in which professional, managerial or consultative services are rendered to an outside concerns which compete or may provide services to CNMC or any of its affiliates. (None)				
4.	Information Identify any situation where use or disclosure of CNMC information could be construed to your personal advantage or for the advantage of anyone else. (None)				
5.	Gifts, Gratuities and Entertainment Identify any gifts, gratuities, excessive entertainment or other favors accepted by you or your immediate family from an outside concern which does or is seeking to do business with, or is a competitor of CNMC or any of its affiliates. This does not include acceptance of items of minor value (less than \$75.00) which are merely tokens of esteem or friendship and are not related to any particular transaction or CNMC activity. (None)				
6.	I declare I own no shares of Children's National Medical Center or any of its Subsidiaries. Affirm				
7.	Outside Income Disclose any income and income source other than from your salary or incentive plan paid by CNMC or its affiliates				
	Activity Dollar amount and Source a. Honorarium b. Royalties c. Military Reserve Time				

	d. Consultative Time e. Other (Specify)	
8. Other	List any other activities in which you or your immediate family are engaged that might be regarded as constituting a conflict of interest or any other relationships or dealings you have that you feel might put you in a position that you view or someone else could view as a conflict of interest. (None)	
are consistent wi	ttached Conflicts of Interest Policy and hereby affirm that the answers given th that policy. I further hereby agree to report to my immediate supervision lict situation that might develop before my completion of my next	
Printed Name		
Signature		
Date		