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# Conflict of Interest Policy- Compliance and Integrity

## CI.HH.1.1644

### PURPOSE

Hendrick Medical Center and all affiliated entities ("Hendrick Health") is committed to conducting its affairs in accordance with the highest ethical and legal standards.

The purpose of this policy is to establish the standards for determining the existence of conflicts of interest, the requirements for disclosing conflicts and the process for reducing, managing or eliminating conflicts.

This policy is meant to provide general guidelines and does not replace any applicable federal or state laws surrounding conflicts of interest.

### SCOPE

All Workforce members who are affiliated with Hendrick Health facilities, hospitals, ambulatory surgery centers, outpatient imaging centers, outpatient ancillary services, hospital outpatient provider-based departments (HOPD), rural health clinics, outpatient clinics and physician practices, and all divisions, services, and post-acute care services.

Hendrick Health Board Members are required to complete a Conflict of Interest questionnaire during their onboarding process and annually thereafter. These questionnaires are essential for maintaining transparency and integrity within the organization. However, it is important to note that the oversight of these questionnaires does not fall under the purview of the Conflict of Interest Review Committee referenced in this policy. Board questionnaires will be reviewed and managed by a separate

subcommittee made up of the Compliance Officer, General Counsel, CEO and Chairman of the Board, or a subset of these individuals.

## POLICY

Hendrick Health recognizes the right of Workforce members to engage in activities outside their employment which are of a private nature and unrelated to our business. However, Hendrick Health requires our Workforce members to avoid any personal or financial interests, relationships, or affiliations that conflict with, or appear to conflict with, the interests of Hendrick Health or that present a conflict of commitment related to his/her professional responsibilities.

Workforce members cannot engage in activities, transactions or relationships that are incompatible with the impartial, objective, and effective performance of duties, for example, when Workforce members or their immediate family members:

- accept or solicit a gift, favor, or service from an individual, business, or other party involved, or potentially involved, in a contract or transaction with Hendrick Health that could reasonably be expected to impair their independent judgement in performing official duties;
- accept, agree to accept, or solicit money or other tangible or intangible benefit in exchange for exercising official powers or performing official responsibilities;
- accept employment or compensation or engage in any business or professional activity that might lead to or require disclosure of Hendrick Health's confidential information;
- accept other employment or compensation that could reasonably be expected to impair their independent judgment in performing official duties; or
- make personal investments that are contrary to Hendrick Health's interests.

All Workforce members must promptly disclose any outside interests and activities so that Hendrick Health may assess and prevent potential conflicts of interest from arising.

Under no circumstances may a provider place their own financial interests above the welfare of their patients. Moreover, a provider should never unnecessarily render treatment or hospitalize a patient, prescribe a drug, or order or conduct diagnostic tests for his/her own personal benefit. Any conflict of a provider's financial interests and his/her responsibilities to our patients must be eliminated or resolved. Should a Workforce member have any questions about whether their interests or activities present a conflict of interest or inquiries related to the acceptance of gifts, he or she should immediately consult with their supervisor, Hendrick's Compliance and Integrity department and VP, Compliance and/or General Counsel.

Violations of this policy will be subject to disciplinary action, up to and including termination of employment or contract.

## DEFINITIONS

**Conflict of Commitment:** A conflict of commitment relates to a Workforce member's distribution of time between his/her Hendrick Health professional responsibilities and his/her participation in an outside activity. Activities that interfere with the Workforce member's primary responsibilities to Hendrick Health

create a conflict of commitment.

**Conflict of Interest (COI):** Generally, a conflict of interest exists when a Workforce member's outside interests or activities influence or appears to influence their ability to make decisions objectively or impairs their ability to perform their job responsibilities in the best interest of Hendrick Health. This includes any interests or activities of their immediate family members that may result in personal gain or other benefit, directly or indirectly, to our Workforce members. The following are examples of actions or activities that **may** create a conflict of interest or the appearance thereof:

- Engaging in any financial, business or other relationships with current or potential contractors, vendors, business associates or affiliates of Hendrick Health;
- Failing to disclose to Hendrick Health that an immediate family member is employed by or affiliated with a competitor or Hendrick Health contractor, vendor, business associate or other affiliate;
- Using your position at Hendrick Health for personal gain;
- Using Hendrick Health equipment or other resources to support an external business;
- Accepting remuneration, compensation, or gifts from current or potential contractors, vendors, business associates or affiliates of Hendrick Health, as well as patients and patients' family members;
- Providing preferential treatment to any person or outside entity resulting from gifts or favors received;
- Providing or giving gifts or favors to others where it might appear to be designed to improperly influence others in their relations with Hendrick Health and engaging in any other activity which conflicts with the interests of Hendrick Health

**Conflict of Interest Review Committee (COI Review Committee):** The Committee responsible for reviewing disclosures under this policy and determining whether an actual or potential conflict of interest exists. If necessary, the Committee will provide any conditions or restrictions (remediation or mitigation) needed to manage the potential or actual conflict of interest. Committee members are appointed by the Chair of the COI Review Committee and include physicians, APPs, staff, and other representative workforce members.

**Disclosure:** Disclosure is the process by which a Workforce member provides a description of personal or financial interests and outside activities to prevent, identify, and resolve conflicts of interest and conflicts of commitment.

**Financial Interest:** A financial interest refers to anything of monetary value. A Workforce member has a financial interest if, either directly or indirectly, through business, investment, or family, he/she has:

- An ownership or investment interest (e.g., stock, stock options or other equity) in any privately or publicly held companies that do business, or may potentially do business with, compete with or has any other affiliation with Hendrick Health (**Exemption** – mutual funds and retirement accounts);
- An ownership interest in a medical or research facility to which patients are referred or recruited.

- A potential ownership or investment interest in, or compensation arrangement with any individual or company with which Hendrick Health is considering or negotiating a transaction or business arrangement; or
- Intellectual property rights (e.g., patents, copyrights, and royalties).

A financial interest may not necessarily be a conflict of interest in all cases. However, it must be disclosed and reviewed as described under Procedures to determine if a conflict of interest exists. Reimbursement of expenses is not considered a financial interest.

**Gifts:** A "gift" refers to any item, product or service, or anything else of value that may be of personal benefit to you, including gratuities and favors.

**Honorarium:** Honorarium refers to payments in exchange for professional services a Workforce member provides for which typically there is no official charge, such as speakers fees for seminars and lectures and advisory committees.

**Immediate Family:** Immediate family includes a Workforce member's spouse or domestic partner; birth, adoptive, foster, or stepparents, children, or siblings; grandparents, grandchildren, great-grandchildren; guardianship relationships; any of the equivalents by marriage; and any other person living in the Workforce member's household.

**Outside Activity:** An outside activity is an activity, or a compensated or uncompensated position, that occurs or is maintained outside of a Workforce member's duties and professional responsibilities to Hendrick Health.

Examples of outside activities include:

- Outside employment (e.g., moonlighting, consulting relationships)
- Other compensated activity
- Service on outside boards
- A financial interest of any amount in an outside business entity (i.e., an individual or immediate family investment in a related business or stock ownership in a non-public entity)

**Outside Entity:** A conflict of interest may arise between a Workforce member's professional responsibilities and an outside entity or business interest if the entity is:

- A current contractor, vendor, business associate, or affiliate of Hendrick Health
- A contractor or vendor seeking to do business with Hendrick Health or
- A competitor of Hendrick Health or an entity that offers the same or similar services to what Hendrick Health offers.

**Remuneration:** Remuneration refers to any form of monetary payment or equivalent including compensation for travel, entertainment, accommodations, and other benefits that may be extended in connection with a Workforce member's relationship with an outside entity.

**Vendor:** A vendor refers to any individual or entity, current or potential, which provides or seeks to provide, services or products to Hendrick Health This includes contractors and suppliers. For the purpose of this policy, "vendors" shall include contractors and suppliers.

**Workforce member:** Employees, physicians, volunteers, trainees, and other persons whose conduct, in the performance of work for Hendrick Health, is under the direct control of Hendrick Health, whether or not they are paid by Hendrick Health.

## RESPONSIBILITY

Hendrick Health is responsible for ensuring medical care is delivered without any outside influence on decision making or conflict of time commitment by managing, reducing or eliminating altogether those activities and personal and financial interests of our Workforce members that may be inconsistent with Hendrick Health's fundamental interests. It is the Workforce member's responsibility to report personal or financial interests and outside activities that may present a conflict of interest.

Whenever an actual or potential conflict of interest arises, Workforce members should:

- Identify the conflict,
- Disclose the conflict promptly,
- Manage the conflict and
- Comply with any remediation requirements

Any Workforce member in a supervisory position is responsible for ensuring compliance with this policy by his/her staff. Should a supervisor become aware of a potential or actual conflict of interest or a violation of this policy, they should disclose the potential conflict or violation to the Compliance and Integrity department, the VP, Compliance and/or Hendrick Health General Counsel.

## PERMITTED INVESTMENTS

Workforce members must avoid any investments in the businesses of Hendrick Health's vendors, business associates, or competitors that could cause divided loyalty or give the appearance of divided loyalty.

Workforce members who have investments in the businesses of vendors, business associates, or competitors or who plan to make such investments must file a Conflict of Interest Disclosure Form (see below). As a rule, Workforce member's investment in securities traded on a recognized stock exchange don't create a conflict of interest as long as the securities are purchased on the same terms and with the same information that is available to the general public.

Investments that are never considered conflicts of interest include mutual funds, blind trusts, or debt instruments of publicly held companies that are traded on an exchange.

## DISCLOSURE OF INTERESTED TRANSACTIONS

Workforce members must file a Conflict of Interest Disclosure Form as soon as they learn of a proposed or actual Hendrick Health transaction with an outside individual, business, or organization that would create or appear to create a conflict of interest. Specifically, Workforce members must disclose any:

- remuneration for themselves or immediate family members that is received from the individual/organization;

- investments or ownership interests employees or immediate family members have in the outside organization;
- offices or positions employees or immediate family members hold in the outside organization; and
- other relationships with the individual/organization that could create potential or actual conflicts of interest.

Workforce members are also required to file an annual Conflict of Interest Disclosure Form.

There may be other pathways and processes in place within Hendrick Health that identify actual or potential conflicts of interest, such as the Hendrick Physician Network Outside Activity form. The conflict of interest form and process is not meant to interfere with these processes or the authority of the leadership to manage disclosures made through these processes. The VP of Compliance will partner with the appropriate leadership to establish collaboration between the conflict of interest process and these processes as needed to ensure compliance with all Hendrick Health policies.

## **WITHDRAWAL FROM DECISION MAKING**

Hendrick Health prohibits Workforce members from exercising decision making authority or exerting influence concerning any organization or transaction in which they or their family members have a personal interest. Workforce members must disclose such interest by filing a Conflict of Interest Disclosure Form pursuant to this policy and getting the approval of the Conflict of Interest Committee ("COI Review Committee") of any arrangement for resolving the conflict—including withdrawing from decision making in the matter.

## **MISUSE OF INFORMATION**

Workforce members can't use any information acquired as a result of working for Hendrick Health that isn't available to the public for personal gain or for anyone else's gain. Workforce members also can't personally exploit any business opportunity in which they know or reasonably should know Hendrick Health is or would be interested, unless Hendrick Health gives them prior written consent.

## **GIFTS, GRATUITIES and FAVORS** [Gifts and Entertainment](#)

Hendrick Health selects vendors based on the quality of the service they provide, competitive pricing, and other standards applicable to the vendor's capabilities. While gifts from vendors, contractors, and others conducting business (or seeking to conduct business) with Hendrick Health may be standard business practice, often it may appear to be an attempt to influence our decision making.

Therefore, accepting gifts from vendors can create a conflict of interest.

Workforce members should reference the Hendrick Gifts and Entertainment policy linked in the header of this section for more information related to Gifts.

## **WORK WITH PROFESSIONAL ORGANIZATIONS**

Workforce members' work with or for outside professional organizations or associations doesn't create a

conflict of interest if such work:

- is related to the legitimate professional interest and development of the employee;
- doesn't interfere with their regular duties;
- doesn't use Hendrick Health's materials, facilities, or resources except as provided in this policy;
- doesn't compete with the work of Hendrick Health and isn't otherwise contrary to Hendrick Health's best interests; and
- doesn't violate federal, state, or local laws.

If such work is compensated or involves gifts or gratuities (e.g., speaking fees, free travel benefits), then this exemption does not apply and such work must be disclosed.

## CONFIDENTIALITY

Hendrick Health encourages full disclosure of all potential conflicts and regards any such disclosures as confidential information. Anything revealed in Conflict of Interest Disclosure Forms is available only on a need-to-know basis.

## REPORTING SUSPECTED VIOLATIONS

Any alleged violations of this policy must be communicated confidentially and preferably (but not necessarily) in writing to the Compliance and Integrity Department or to Hendrick Health General Counsel.

Hendrick Health prohibits anyone from taking adverse action, either directly or indirectly, against individuals who in good faith report allegations of such violations.

## DISCIPLINE

Workforce members who engage in any activity, transaction, or relationship that is adverse to Hendrick Health's interests or who fail to make disclosures required by this policy can face discipline, up to termination, as soon as Hendrick Health has information that they have violated this policy.

## PROCEDURES

### A. Disclosing Conflicts of Interest

#### 1. **New Hires**

Each new Workforce member will be required to review this policy and to acknowledge their receipt and understanding. Additionally, they must complete Hendrick Health's Conflict of Interest Disclosure Form, which will be provided by the Human Resources Department for completion during the on-boarding process. Any disclosures resulting in an actual or potential conflict will be managed, reduced, or eliminated as described under Managing Conflicts of Interest.

#### 2. **New Providers**

New providers under agreement with Hendrick Health are required to complete



Hendrick Health's Conflict of Interest Disclosure Form during the initial credentialing process, and again during re-credentialing. Subsequently, they must always disclose any time a potential conflict emerges.

3. ***Annual Reporting***

Although this policy applies broadly throughout Hendrick Health, only a subset of Workforce members is required to submit disclosures on an annual basis. This subset includes executive leaders, members of Management Council, all members of departments involved in purchasing or financial management, and any other department or Workforce member as determined by the Conflict of Interest Review Committee. During the annual disclosure period designated Workforce members will be prompted to complete the Conflict of Interest Disclosure Form. Even if a Workforce member believes they do not have any conflicts to disclose they must complete the disclosure process certifying that they have no interests or activities to disclose in order to be in compliance with this requirement.

4. The Conflict of Interest Disclosure Form also enables our Workforce members to affirm their receipt and understanding of this policy and Hendrick Health's conflict of interest disclosure requirements. This policy is made available at on-boarding or contracting and accessible through our electronic central policy portal. In the event it is not entirely clear whether or not there is a reportable interest or activity, the Workforce member with the potential conflict should disclose the circumstances to the Compliance and Integrity department for guidance on completing the form.
5. Any previously disclosed interests should be re-disclosed during each annual reporting period for the duration of the interest, and any changes since the last annual reporting period should be updated by submitting an updated Conflict of Interest Disclosure Form.

6. ***Ongoing Disclosures***

In addition to the annual disclosure period, all Workforce members (including Hendrick Health contracted providers) have an obligation to report any new interests or activities that may create a conflict of interest as soon as they become known to the individual and before engaging in the activity. Workforce members should either complete a Conflict of Disclosure Form or immediately notify the Compliance and Integrity department for further guidance.

7. Workforce members must receive approval from the Conflict of Interest Review Committee for approval, before engaging in the activity or interest, signing any agreements, or making any other form of commitment.

**B. The Disclosure Process**

1. Workforce members must complete a Conflict of Interest Disclosure Form for any personal or financial interests, outside activities, business relationships, remuneration, gifts or any other personal benefit (as defined in this policy) in association with any outside entity that does business with, or seeks to do business with, or competes with Hendrick Health, and/or that could present a conflict of interest or commitment. Such relationships and interests must also be considered in relation to immediate family.
2. The following information (if applicable to your specific disclosure) should be



included to facilitate a comprehensive review of the potential conflict:

- a. Nature and extent of the activity or interest
- b. Description of major duties to be performed
- c. Basic information about the outside entity
- d. The anticipated time commitment
- e. The anticipated length of time the activity is expected to continue
- f. Any compensation expected
- g. Sponsored or reimbursed travel, lodging and meals associated with the activity
- h. Honoraria
- i. Intellectual property rights or royalties

C. **Conflict of Interest Review** All disclosures received indicating a potential conflict of interest will be reviewed by the Compliance and Integrity department, or the dedicated COI Review Committee. When necessary, guidance and recommendations will be provided by the COI Review Committee about the satisfactory resolution of conflicts of interest or conflicts of commitment when they arise. The impacted Workforce member may be contacted to provide additional detail to facilitate the review process.

D. **Conflict Management Plans**

Following an assessment of all disclosures, the Compliance and Integrity department, or the COI Review Committee, as appropriate, will determine whether a conflict exists and if it needs to be eliminated, reduced or can be managed. The Workforce member, his/her supervisor and department head will be notified of the determination, including if the decision is that no actual conflict of interest exists. In the event that it is determined that the conflict is permissible but needs to be managed, a **Conflict of Interest (COI) determination letter** will be issued stipulating the conditions that would make the potential conflict allowable under this policy. The management plan must be signed by the Workforce member in agreement with the terms of the management plan and will be distributed to his/her supervisor and department head.

E. **Recusal**

No Workforce member will be permitted to participate in the decision-making or voting on transactions or any other matters related to a vendor with whom he/she has a relationship. The Workforce member will be asked to recuse him/herself of all such discussions to avoid a conflict of interest, the appearance of a conflict of interest, or any other improper influence relating to the transaction or matter.

F. **Requesting reconsidering of Conflicts of Interest Determinations**

A Workforce member may request reconsideration of a decision made with regard to their conflict of interest. The request to reconsider the decision must be made to the Compliance and Integrity department or VP, Compliance in writing including a detailed justification for the request within 10 days of notification of the committee's decision. All requests for reconsideration will be reviewed by the Conflict of Interest Review Committee in consultation with the System Leadership Corporate Compliance Committee depending on the nature and extent of the conflict. The final decision made by these parties shall be binding.

G. **Record Retention and Reporting**

The Compliance and Integrity department will retain all disclosure forms, conflict management plans and any other related documents electronically for ten (10) years from the date of the initial document date in accordance with Hendrick Health's Record Retention Policy. Hendrick Health will report conflicts of interest to government agencies when required by law.

## Physician Payment Sunshine Act

The Physician Payment Sunshine Act ("PPSA" - part of the Patient Protection and Affordable Care Act) requires that drug, medical device and biologicals manufacturers report to the Center for Medicare and Medicaid Services all gifts, meals and other payments (e.g., consulting/speaking fees, travel and entertainment) made to physicians. The PPSA better informs patients of their provider's financial relationships with industry by making this data publicly available. Such payments may be perceived as influencing providers' decision-making in favor of the payer and should be avoided whenever possible.

## ENFORCEMENT

Workforce members who fail to disclose a reportable interest or relationship or to comply with Hendrick Health's requirements for managing an identified conflict may be subject to disciplinary action up to and including termination of employment or contract.

## MAINTENANCE

This policy is reviewed at least annually by the Compliance and Integrity department and the VP, Compliance for its effectiveness, and is revised as needed when laws or regulations change. All updates to this policy must be approved by System Leadership Corporate Compliance Committee.

## APPLICABLE STANDARDS, REGULATIONS AND POLICIES

- Anti-Kickback Statute: 42 U.S.C. § 1320a-7b(b)
- Stark Law (42 U.S.C. 1395nn - Limitation on certain physician referrals)
- Physician Sunshine Payment Act (Section 6002 of the Affordable Care Act)

### Hendrick Health RELATED DOCUMENTATION

- Gift and Entertainment Policy #1.1630 [Gifts and Entertainment](#)
- Code of Conduct Policy #
- Board Conflict of Interest Policy # 2.1011
- Corporate Compliance Program #
- Employee Handbook [Behavior and Performance Expectations](#)
- Disciplinary Action Policy [Behavior and Performance Expectations](#)

## Approval Signatures

Step Description	Approver	Date
System Leadership Corporate Compliance Committee	Lisa Herota: Hendrick Health VP, Compliance - Administration -	11/18/2025
Compliance Task Force	Donna Jennings: Hendrick Health Director, Compliance & Integrity -	11/17/2025
VP, Compliance and Integrity	Donna Jennings: Hendrick Health Director, Compliance & Integrity -	11/17/2025
VP, Compliance and Integrity	Lisa Herota: Hendrick Health VP, Compliance - Administration -	11/17/2025