

Title: Conflicts of Interest for Team Members	
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Approved by: Administrative Policy Committee, PolicyTech Administrators	
Discrete Operating Unit/Facility: Banner Baywood Medical Center Banner Behavioral Health Hospital Banner Boswell Medical Center Banner Casa Grande Medical Center Banner Churchill Community Hospital Banner Del E Webb Medical Center Banner Desert Medical Center Banner Estrella Medical Center Banner Fort Collins Medical Center Banner Gateway Medical Center Banner Goldfield Medical Center Banner Heart Hospital Banner Ironwood Medical Center Banner Lassen Medical Center Banner McKee Medical Center Banner North Colorado Medical Center Banner Ocotillo Medical Center Banner Payson Medical Center Banner Thunderbird Medical Center Banner--University Medical Center Phoenix Banner--University Medical Center South Banner--University Medical Center Tucson East Morgan County Hospital Ogallala Community Hospital Page Hospital Platte County Hospital Sterling Regional Medical Center Torrington Community Hospital Washakie Medical Center Wyoming Medical Center	Ambulatory (Outpatient) Services Banner Health Clinics Banner Imaging Services Banner Imaging Services Colorado Banner MD Anderson Cancer Center Banner Urgent Care Services Banner--University Medical Group Rural Health Clinics Banner Alzheimer's Foundation Banner Corporate Banner Health Foundation Banner Pharmacy Services Banner Plans & Networks Banner Health Network Banner Health Plans Banner Network Colorado Banner Plan Administration Banner Research

I. Purpose/Population:

- A. **Purpose:** To ensure identification and resolution of circumstances in which a Team Member (as defined below) may have an actual or potential Conflict of Interest (as defined below), to protect Banner's interest in such situations, and to provide adequate disclosure and resolution mechanisms. This Policy also helps protect Banner's interests in transactions or other arrangements that might benefit the private interest of a Team Member and is intended to supplement, but not replace, any applicable laws governing conflicts of interest.
- B. **Population:** All Team Members.

II. Definitions:

- A. **Banner Entity:** Banner Health and any other entity that is controlled by, or under common control with, Banner Health. The term "control" (including "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through the ownership of voting securities or membership interests, by contract, or otherwise.
- B. **Business Transaction:** A transaction or other arrangement between a Banner Entity and a non-Banner entity or individual.
- C. **Conflict of Interest:** A Conflict of Interest exists when it is determined under this Policy that a Team Member's Interest: (i) interferes or competes with a Banner Entity interest; (ii) reduces the likelihood that such Team Member's duties to a Banner Entity can be exercised in the best interest of the Banner Entity; or (iii) divides a Team Member's loyalties to a Banner Entity.
- D. **Conflict Management Plan:** A plan established under this Policy to mitigate or manage a Team Member's actual or potential Conflict of Interest.
- E. **Covered Person:** For Banner Health, a Covered Person is a member of the governing board, an officer, executive vice-president, senior vice-president, division president, the Chief Ethics & Compliance Officer ("CECO"), or other key employee of Banner Health. For all other Banner Entities, a Covered Person is a member of the governing board, an officer, or other key employee of the respective Banner Entity.
- F. **Interest(s):** A Team Member or Covered Person has an Interest in one or more of the following circumstances:
1. **Financial Interest:** When the Team Member or Covered Person, or a Related Person (for such Team Member or Covered Person) has, directly or indirectly:
 - a. An ownership or investment interest in, or compensation arrangement with, any entity with which a Banner Entity does business (or is negotiating a Business Transaction); or
 - b. Any ownership interest, investment interest, or compensation arrangement that could interfere with the respective Team Member's or Covered Person's professional judgment, objectivity, or loyalty to a Banner Entity.

Financial Interest does not include ownership of less than 5% of the outstanding stock of a publicly held company or de minimis consideration.

2. Other Interest: When a Team Member or Covered Person, or a Related Person (for such Team Member or Covered Person) serves as a compensated or uncompensated officer, director, trustee, advisor, consultant, partner, associate, employee, personal or legal representative, receiver, guardian, custodian, or agent of any entity: (i) with which a Banner Entity does business (or is negotiating a Business Transaction); or (ii) that competes with a Banner Entity with respect to services provided or procured by the Banner Entity or for charitable contributions or donations.
- G. Leader: A Team Member or Covered Person who is directly responsible for supervising the respective Team Member. For purposes of this Policy, Leader approval must come from a Team Member at the Director level or above.
- H. Related Person:
1. A Team Member or Covered Person's: (i) spouse or domestic partner (or their parent or sibling); (ii) parent/ancestor; (iii) brother or sister (whether whole or half); and (iv) child (including grandchild and great-grandchild) whether biological, marital, or adopted. The term also includes any person who resides in the same household of the Team Member or Covered Person;
 2. A trust or estate of which an individual specified in subdivision II.H.1 is a substantial beneficiary; and
 3. A trust, estate, incompetent person, conservatee or minor for which the Team Member or Covered Person is a fiduciary.
- I. Team Member: An individual who is employed by or is authorized to act on behalf of any Banner Entity except Covered Persons who are subject to the Conflicts of Interest for Covered Persons Policy.

III. Policy:

A. Basic Policy

1. Team Members shall act in good faith in all transactions involving a Banner Entity. Team Members shall not use their position, or knowledge gained through their relationship, with a Banner Entity for personal advantage or financial gain. Therefore:
 - a. Team Members shall disclose all Interests in accordance with the procedures outlined in Section IV.A. of this Policy, including those of any Related Person (to the extent they are aware of such Interests without being required to make special inquiry).
 - b. If Banner establishes a Conflict Management Plan under this Policy, the applicable Team Member shall comply with such Plan.
 - c. No Team Member shall knowingly obtain an Interest in a non-Banner Entity in which a Banner Entity has or is considering an investment (a "Co-Investment") without prior approval in accordance with Sections IV.D and IV.E of this Policy. If a Team Member: (i) has a Co-Investment upon hire, appointment, or prior to the Banner Entity's investment; or (ii) becomes aware of such Team Member's or their Related

Party's Co-Investment, the Team Member must promptly disclose all relevant facts to their Leader for resolution in accordance with Section IV.D of this Policy.

- d. No Team Member shall cause or otherwise encourage a Banner Entity to donate to an entity in which such Team Member has an Interest without the advance approval of their Leader and the Ethics & Compliance Department (subject to all other necessary corporate approvals).
- e. No Team Member shall obtain an Interest without the advance approval of their Leader and, if applicable, the Ethics & Compliance Department, in accordance with Sections IV.D and IV.E of this Policy.
 - i. As part of the approval process, consideration shall be given to whether the Interest may interfere with Banner Entity work, impair the Team Member's ability to perform their employment duties, result in adverse publicity, result in divulging confidential Banner information, or present a Conflict of Interest.
 - ii. Team Members must use personal time off for any time spent related to an Interest, unless otherwise specified in the requisite approval.
- f. Notwithstanding the above, a Team Member may engage in a directorship, committee, or related service for a non-Banner Entity at the request, and on behalf, of a Banner Entity so long as the activity is uncompensated, the Team Member obtains approval from their Leader, and the Ethics & Compliance Department is notified prior to commencement of such activity.

2. Special Provisions Related to Business Transactions

- a. No Team Member shall knowingly cause a Banner Entity to enter into, or continue in, a Business Transaction in which another Team Member or other individual involved in the business or purchasing decision or relationship management holds an Interest unless specific authorization is obtained in accordance with Section IV.E of this Policy or in accordance with the Conflicts of Interest for Covered Persons Policy.
- b. No Team Member shall participate on behalf of any Banner Entity in business or purchasing decisions, or participate in relationship management, regarding any Business Transaction in which such Team Member holds (or is contemplating acquiring) an Interest unless specific authorization is obtained in accordance with Section IV.E of this Policy.

3. Special Provisions for Certain Team Members

- a. Employed Practitioners: Team Members who are considered "Employed Practitioners" under Banner's Secondary/Additional Professional Activities and Outside Activities of Employed Practitioners Policy and Procedure ("SPAC Policy") are subject to the requirements of this Policy in addition to the requirements of the SPAC Policy and any imposed by the Secondary Professional Activities Committee.

4. Conflict of Interest Related Policies

- a. For matters involving the acceptance of items, gifts, meals, travel, honorarium, etc. please reference the Compliance: Acceptance of Items from Outside Business Associates Policy.
- b. For matters involving the employment of a Related Person, please reference the Banner Health Code of Conduct and any applicable nepotism policies.
- c. Conflict of Interest matters involving Research are subject to the requirements of this Policy in addition to the requirements of the Research Conflict of Interest – Disclosure, Review and Management Policy and the Research Financial Conflict of Interest Relating to PHS Grants, Cooperative Agreements and Contracts Policy.

B. Administration

1. The Ethics & Compliance Department shall be responsible for the administration of this Policy and shall implement procedures designed to assist the responsible parties in their administration of this policy.
2. Members of the Ethics & Compliance Department are available to advise as to implementation of this Policy and its effect upon individual activities and Business Transactions.

IV. Procedure/Interventions:

A. Procedures for Disclosure of Interests

1. Team Members shall disclose in writing all material facts related to their Interests to their Leader:
 - a. Upon hire;
 - b. Prior to obtaining an Interest; and
 - c. Within 30 days of: (i) identifying that an existing Interest may give rise to an actual or potential Conflict of Interest; or (ii) becoming aware of material changes with respect to matters previously disclosed.
2. Upon request, Team Members shall disclose in writing all material facts related to their Interests to the Ethics & Compliance Department.
3. Upon request, Team Members shall participate in the annual survey process conducted by the Ethics & Compliance Department and affirm that they:
 - a. Read and understand this Policy;
 - b. Agree to comply with this Policy;
 - c. Understand that Banner Health and certain other Banner Entities are charitable organizations and, to maintain federal tax exemption, must engage exclusively in activities which accomplish one or more of their tax-exempt purposes;
 - d. Responded accurately and completely to all questions in such survey; and

- e. Agree to notify the Ethics & Compliance Department promptly of any material changes to their disclosure.

B. Procedures for Disclosure of Business Transactions

1. Team Members shall promptly notify the Ethics & Compliance Department in writing:
 - a. Prior to participating on behalf of a Banner Entity in a business or purchasing decision, or participate in relationship management, regarding any Business Transaction in which such Team Member has (or is contemplating acquiring) an Interest.
 - b. If they become aware of any current or proposed Business Transaction in which:
 - i. A Covered Person has an Interest; and
 - ii. Another Team Member or other individual involved in the business or purchasing decision or relationship management has an Interest.

C. Procedures for Follow-up on Disclosures

1. Leaders shall:
 - a. Promptly refer any disclosure reported to them related to a Business Transaction to the Ethics & Compliance Department.
 - b. Review all other disclosures reported by their respective Team Members to make determinations in accordance with Section IV.D of this Policy.
2. The Ethics & Compliance Department shall:
 - a. Review the results of the annual survey and all reported disclosures to make determinations in accordance with Section IV.E of this Policy.
 - b. Refer reported disclosures subject to other necessary corporate approvals to the appropriate parties in accordance with related policies, guidelines, or standard operating procedures.
3. Approvals provided under this Policy may be revised or rescinded by the respective approver if the underlying facts and circumstances change, or for risk management purposes.

D. Procedures for Leaders

1. Leaders shall determine whether a Conflict of Interest exists for their Team Member by determining whether or not the Team Member's Interest: (i) interferes or competes with a Banner Entity interest; (ii) reduces the likelihood that such Team Member's duties to a Banner Entity can be exercised in the best interest of the Banner Entity; or (iii) divides a Team Member's loyalties to a Banner Entity.

2. If the Leader determines that a Conflict of Interest does not exist, they may grant approval (subject to all other necessary corporate approvals).
3. If the Leader determines that a Conflict of Interest does or may exist, they should not grant approval and shall refer the disclosure to the Ethics & Compliance Department for a determination in accordance with Section IV.E.

E. Procedures for the Ethics & Compliance Department

1. The Ethics & Compliance Department shall determine whether a Conflict of Interest exists for: (i) a Team Member involving an Interest that does not relate to a Business Transaction referred in accordance with Section IV.D.3; or (ii) involving a Business Transaction referred in accordance with Section IV.C.1.
2. If the Ethics & Compliance Department determines that a Conflict of Interest does not exist, it may grant approval (subject to all other necessary Leader and corporate approvals).
3. If the Ethics & Compliance Department determines that a Conflict of Interest does exist, it may grant approval if it further determines that:
 - a. With respect to a Business Transaction: (i) the transaction is in the respective Banner Entity's best interest, for its own benefit, and fair and reasonable to the Banner Entity; and (ii) the Conflict of Interest may be appropriately managed through a Conflict Management Plan.
 - b. With respect to an Interest that does not relate to a Business Transaction, the Conflict of Interest may be appropriately managed through a Conflict Management Plan.
4. The Ethics & Compliance Department may refer disclosures to the Audit Committee of the Board of Directors of Banner Health when the CECO deems necessary or appropriate.

F. Record of Determinations. The records of the determinations from Leaders and the Ethics & Compliance Department under this Section IV shall be retained in accordance with Banner's Records Retention and Destruction Policy and shall contain the name of the person who disclosed the Interest, if known, the nature of the Interest, any action taken to determine whether a Conflict of Interest was present, the decisions and determinations with respect to the disclosed matter, and the name of the person(s) who made such decision and determination.

G. Policy Violations: Team Members shall refer possible Policy violations to the Ethics & Compliance Department for investigation, who shall report the findings of such investigation to the respective administrator/Leader or senior Leader, as appropriate. Policy violations may result in corrective action, up to, and including, termination.

V. Procedural Documentation:

- A. Conflict of Interest Disclosure Survey – Online at <https://forms.office.com/r/e17stACdQL>

VI. Additional Information:

- A. Any communications or submissions to the Ethics & Compliance Department regarding Conflict of Interest matters should be directed to the confidential email inbox:
conflictofinterest@bannerhealth.com

VII. References:

- A. N/A

VIII. Other Related Policies/Procedures:

- A. Policy: [Compliance: Acceptance of Items from Outside Business Associates](#) (#256)
- B. Policy: [Compliance: Business Courtesies to Physicians and Immediate Family Members](#) (#190)
- C. Policy: [Compliance: Prohibition on Kickbacks and Bribes](#) (#202)
- D. Policy: [Conflicts of Interest for Covered Persons](#) (#8149)
- E. Policy: [CP 5024 Conflicts of Interest \(Plans & Networks\)](#) (#5204)
- F. Policy: [Relationships with Post-Acute Services Providers](#) (#920)
- G. Policy: [Standards for Determining Independence of Members of Board of Directors](#) (#742)
- H. Policy: [Records Retention and Destruction](#) (#739)
- I. Policy: [Research Conflict of Interest - Disclosure, Review and Management](#) (#1362)
- J. Policy: [Research Financial Conflict of Interest Relating to PHS Grants, Cooperative Agreements and Contracts](#) (#1364)
- K. Policy: [Secondary/Additional Professional Activities and Outside Activities of Employed Practitioners Policy and Procedure](#) (#3977)
- L. Policy: [Workforce Confidentiality](#) (#410)

IX. Keywords and Keyword Phrases:

- A. Business Transaction
- B. Competitive Activity
- C. Conflict of Interest
- D. Conflict Management Plan
- E. Disclosure
- F. Financial Interest
- G. Related Person
- H. Outside Employment
- I. Vendor

X. Appendix:

- A. Appendix A: Conflict of Interest Examples

Appendix A – Examples of Potential Conflicts of Interest

The following are examples of situations or circumstances which have the potential to create a Conflict of Interest for a Team Member:

1. A Co-Investment in a non-Banner Entity in which a Banner Entity has or is considering an investment.
2. Any financial arrangement with an entity that is an actual or potential purchaser from, supplier or vendor to, or a competitor of, a Banner Entity.
3. Membership on the board of directors of an actual or potential purchaser from, supplier or vendor to, or a competitor of, a Banner Entity.
4. Introduction or other access to Banner Entity personnel given to an actual or potential purchaser from, or supplier or vendor to, the Banner Entity provided or facilitated by a Team Member or Covered Person who holds an Interest in such purchaser, supplier or vendor.
5. Outside employment or a business interest that could benefit from involvement with a Banner Entity (use of position for personal gain).
6. Hiring or supervising of a Related Person.
7. Participation in regulatory, civic, or professional organizations that might involve divulging confidential Banner data.
8. Purchase of a Banner Entity's assets (including inventory items).
9. Improvement or maintenance of a Team Member or Covered Person's property using the assets of a Banner Entity.
10. Unauthorized association or use of a Banner Entity's name with an outside business or activity.