

LEE MEMORIAL HEALTH SYSTEM BOARD OF DIRECTORS

POLICY MANUAL

no. 20.02C

category: Financial Operations

title: Conflict of Interest

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07/31/98

07/26/02

supersedes no. 20.02B

PURPOSE:

To affirm that Directors of Lee Memorial Health System, its officers, administrative staff, medical staff with administrative responsibility and employees are subject to the Florida Code of Ethics for public officers and employees, and other laws prohibiting financial conflicts of interest and to provide for a resolution of a conflict of interest.

POLICY:

The laws prohibiting financial conflicts of interest shall be strictly enforced. Directors, officers, administrative staff, medical staff with administrative responsibility and employees shall be periodically informed of this policy. The Board Attorney shall be responsible for advising Directors. The Hospital's Legal Services Department shall be responsible for disseminating general information, and for advising employees and the others listed regarding specific issues.

Florida law prohibiting conflicts of interest generally provides:

1. No officer or employee of a hospital, nor any other person, may pay or receive anything of value for referral of a patient to a hospital or for medical services.
2. No public officer or employee shall accept anything of value which might influence him or her in the performance of official duties.
3. No public officer or employee shall derive a financial benefit from any transaction between any third party and the public agency for which the officer or employee works.
4. No public officer or employee shall enter into a financial arrangement ("do business") with the public agency for which the officer or employee works. This includes the public officer or employee as owner or major shareholder of a firm or company which does business with the

public agency. Exceptions exist for competitive bidding and “sole supplier” situations, if full disclosure is made.

5. Designated public officers and employees must file annual Financial Disclosure forms with the Supervisor of Elections.

The law of Public Agency and Hospital Conflicts of Interest is complex, and specific situations which are not clear infractions shall review with legal counsel. In uncertain cases, an opinion of the Florida Commission on Ethics can be obtained to provide direction.

So that the Board of Directors may address any possible conflict of interest, the following procedure will be followed:

1. If a conflict is known by a Director the Director shall outline his or her conflict on the issue in a meeting of the Board and will abstain from voting on that issue. The form (CE Form 8B Memorandum of Voting Conflict for County, Municipal, and Other Local Public Officers) required by law shall be filled out, signed and filed with corresponding minutes.
2. If a perceived conflict is brought to light and not disclosed in a meeting of the Board, any Director may request an opinion of legal counsel. An Ethics Commission opinion may be sought by any Director .