



**SUBJECT:
CONFLICT OF INTEREST POLICY**

**ORIGINATING DEPT:
HERITAGE ON THE MARINA
COMPLIANCE and ETHICS PROGRAM**

**DATE ISSUED:
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Conflict of Interest Policy

I. Purpose/Policy

The Medicare Conditions of Participation (42 CFR §483.85) require nursing facilities to have in place a Compliance and Ethics Program intended to reduce criminal, civil, and administrative violations. As part of the Conditions of Participation, nursing facilities must “establish written compliance and ethics standards, policies, and procedures to follow that are reasonably capable of reducing the prospect” of such violations.

Conflicts of interest can raise significant compliance problems and can arise in many different aspects of operations and business practices. All Covered Persons have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. While an activity involving an actual conflict of interest is never acceptable, activities involving even the appearance of such a conflict should also be avoided.

The purpose of this Policy is to provide written guidance on identifying, disclosing and investigating conflicts of interest.

II. Definitions

Conflict of Interest: Any situation in which financial or other personal considerations may compromise or appear to compromise (1) a Covered Person’s business judgment; (2) delivery of patient care/service; or (3) ability of an employee to do his or her job. An actual or potential conflict of interest occurs when a Covered Person is in a position to influence a decision that may result in a personal gain for that Covered Person or for a relative as a result of business dealings.

Covered Persons: The entire staff of Heritage on the Marina, which includes employees, High-Level Personnel, members of the Board of Directors, contractors, volunteers, and any other affiliate to which the policy may apply.

Relative: Any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage.

III. Employees Covered By this Policy

This policy applies to all Covered Persons.

IV. Responsibility for Administration

The Compliance Officer will be responsible for administration of this policy.



V. Policy Overview

1. All those covered by this Policy shall refrain from actual conflicts of interest, and avoid the appearance of a conflict of interest.
2. Covered persons are required to disclose any actual or potential conflict of interest and seek guidance on how to handle the situation.
3. Business dealings with outside entities should not result in unusual gain for those entities, Heritage on the Marina, or an employee. Unusual gain refers to bribes, product bonuses, special fringe benefits, unusual price breaks, and other windfalls designed to ultimately benefit the employer, the employee, or both. Certain nominal benefits are allowed in accordance with other policies.
4. The materials, products, designs, plans, ideas, and data are the property of Heritage on the Marina and should never be given to an outside firm or individual except through normal channels with appropriate prior authorization. Any improper transfer of material or disclosure of information, even if it is not apparent that a Covered Person has personally gained by such action, is prohibited.

VI. Procedures

1. Annually, Members of the Board of Directors (Board) sign and review a Conflicts of Interest Statement. The statements are maintained by the Board Liaison and reviewed by the Chief Executive Officer (CEO).
2. Board Members must report any actual or potential conflicts of interest that arise outside of those disclosed on the Conflicts of Interest Statement to the Board Liaison. Any actual or potential conflicts of interest will be reviewed by the CEO and/or Compliance Officer.
3. Employees must report any actual or potential conflicts of interest to the CEO and/or Compliance Officer.
4. Covered Persons must seek guidance and approval from the CEO or Compliance Officer prior to pursuing any business or personal activity that may constitute a conflict of interest.
5. Covered persons shall be required to disclose any outside employment on an annual basis. Covered persons shall not accept outside employment that conflicts with their role at Heritage on the Marina without prior approval. All outside employment relationships must be disclosed to Human Resources and approved by the Compliance Officer or CEO.
6. Covered persons shall not accept positions as a personal caretaker or employee of a resident of Heritage on the Marina.
7. Covered persons, other than the Board Chair, CEO, and Director of Communications, shall not hold themselves out as official representatives of Heritage on the Marina or speak on behalf of Heritage on the Marina outside of their official job duties.



8. Under no circumstances will relatives be permitted to work in the same department or have a reporting relationship. Covered persons shall not hire or have a business relationship on behalf of Heritage on the Marina with a relative without informing Human Resources and receiving approval from the Compliance Officer or CEO.
9. Covered persons shall safeguard confidential and proprietary information, and not use or disclose the information unless authorized or permitted by law.
10. Covered persons shall not provide Heritage on the Marina documents and information to any unauthorized person.
11. The Compliance Officer will handle reports or concerns of situations that may give rise to a conflict of interest, with the assistance of external legal counsel, when needed.
12. The Compliance Hotline is also available to report any concerns or violations relating to this Policy, at 1-855-252-7606 or www.hotline-services.com.
13. As it relates to the duties of the Compliance Officer, the role and function of the Compliance Officer will not be subordinate to legal counsel or the Chief Financial Officer to avoid any conflicts of interest arising from such a reporting relationship or any influence that might impair the independence of the Compliance Officer.

VII. Related Policies

Code of Conduct
Compliance Reporting
Policy Gifts Policy

VIII. References

<https://www.govinfo.gov/content/pkg/CFR-2018-title42-vol5/pdf/CFR-2018-title42-vol5-sec483-85.pdf>

Reform of Requirements for Long Term Care Facility Participation in Medicare and Medicaid, 81 Fed. Reg 68688 (4 Oct. 2016).

<https://www.gpo.gov/fdsys/pkg/FR-2016-10-04/pdf/2016-23503.pdf>

Department of Health and Human Services Office of Inspector General, "Publication of the OIG Compliance Program Guidance for Nursing Home Facilities." 65 Fed. Reg. 14289 (16 Mar. 2000).
<https://oig.hhs.gov/authorities/docs/cpgnf.pdf>

Department of Health and Human Services Office of Inspector General, "Office of Inspector General Supplemental Compliance Program Guidance for Nursing Facilities." 73 Fed. Reg. 56832 (30 Sept. 2008). https://oig.hhs.gov/compliance/compliance-guidance/docs/complianceguidance/nhg_fr.pdf

End of Policy



Annual Conflict of Interest Certification and Disclosure Form

Heritage on the Marina requires its members of the Board of Directors to annually certify their adherence to Heritage on the Marina's Conflict of Interest Policy and to disclose or update any potential conflicts of interest that may apply to the individual and/or the individual's immediate family members.

This form demonstrates your agreement, and your annual commitment to renew your agreement:

- to read, understand, and comply with Heritage on the Marina's Conflict of Interest Policy and
- to disclose any relationship or interest tied to you or an immediate family member that has the potential to conflict with your duties and responsibilities to Heritage on the Marina.

Note: the term "immediate family" as referenced in this Certification Form includes all of the following:

a current or former spouse, domestic partner, natural or adoptive parent, step-parent, spouse or domestic partner of a parent or step-parent, child, step-child, spouse or domestic partner of a child or step-child, sibling, step-sibling, father-in-law, mother-in-law, brother-in-law, sister-in-law, child-in-law, grandparent, grandchild, or spouse or domestic partner of a grandparent or grandchild.

Please complete the following questions to the best of your knowledge and include enough information to describe the nature of the relationship and any associated financial interest.

1. Do you or an immediate family member hold or plan to hold a financial interest (e.g., ownership or investment) or executive-level employment with any business that, to your knowledge, furnishes goods or services, or is seeking to furnish goods or services, to Heritage on the Marina?

No Yes

If yes, please list 1) the person who holds the financial interest or executive-level employment, 2) the name of each business in which the individual owns a financial interest or in relation to which the individual is employed at an executive level, 3) a description of the type of goods or services involved, and 4) the percentage and/or value of ownership or investment interest involved.

2. Do you or any immediate family member hold or plan to hold a financial interest (e.g., ownership or investment) or executive-level employment with a hospital or health system, a skilled nursing facility or nursing home or similar business that, to your knowledge, could be a potential referral source to Heritage on the Marina?



No Yes

If yes, please list 1) the person who holds the financial interest or executive-level employment and 2) the name of each business in which the individual owns a financial interest or in relation to which the individual is employed at an executive level.

3. Did you or any immediate family member receive any gifts valued at over \$50, meals valued at over \$100, entertainment, gratuities, hospitality, or other compensation including, but not limited to, consulting fees, honoraria, or royalties from any existing or potential Heritage on the Marina vendor(s)?

Note: Consistent with the Gifts Policy, the following business courtesies do not constitute a gift, provided that they are of modest value, reasonable in scope, and not given or received in expectation of, or as an award for, obtaining or retaining business:

- a. Modest meals, refreshment, or entertainment, valued at less than \$100 per individual, on an occasional basis, in connection with attendance at business meetings and events sponsored by industry, professional, or educational associations; and
- b. Moderately priced travel and lodging expenses for speaking or taking some other active role at events, conferences, civic organizations, and other similar events when representing the organization in an official capacity. Costs cannot cover the expenses for guests.

No Yes

If yes, please list:

- the person who received the gift or other compensation,
- the vendor that provided the gift or compensation,
- the service for which the gift or compensation was provided (e.g., consulting, speaking engagement, etc.),
- the total compensation provided or estimated value of the gift or gratuity, and
- date(s) of compensation or gift received.



4. Are you or any immediate family member, or do you or any immediate family member anticipate becoming a trustee, director, officer, council or committee member, employee, or consultant of any other health care organization or health insurance company?

No Yes

If yes, please list the name of each organization, position held or to be held, and term of position.

5. Are you or any immediate family member involved in any other organizational relationship, activity, or interest that may raise a conflict of interest or impair your objectivity in relation to Heritage on the Marina policies or issues?

No Yes

If yes, please describe:

I hereby certify that this accurately and completely describes, to the best of my knowledge and belief, all financial and other interests, which are required to be reported under the provisions of Heritage on the Marina's Conflict of Interest Policy.

I understand that I have a duty to update this Disclosure Statement, within 30 days, if I have a new potential conflict of interest to report.

I understand that I am not to participate in any decision or vote on an issue in which I may have conflicts of interest.

Typed/Printed Name of Individual

Signature

Date