

Advantage Dental

From DentaQuest

Policy Name: Conflict of Interest	Policy Number: CP03-Conflict of Interest-CARE
Type of Policy: Compliance	Effective Date: 8/9/2018
Responsible Department: Care Delivery Compliance	
Page Number (s): 7	Revised Date: 8/9/2018
Approved By: Compliance Committee	Approved Date: 8/9/2018
<p>PURPOSE: This Conflict of Interest Policy is intended to provide standards and procedures to assist personnel in structuring appropriate relationships with care providers, payors, customers, suppliers and other vendors that affect or have the potential to affect, or give the appearance of affecting quality of care, treatment, or payment for services. Advantage establishes this policy to ensure timely and proper disclosure of possible conflicts of interest to allow the review and approval of each situation as necessary to protect interest of the company.</p> <p>This Policy is intended to supplement and not replace or supersede any applicable laws and regulations governing conflicts of interest.</p>	
<p>DEFINITIONS: The following terms used in this Policy have the meanings set forth below. Defined terms are capitalized where they appear in this Policy. Defined terms used only in the Conflict of Interest Disclosure Statement or in the Disclosure of Ownership Form are contained within the documents.</p> <p>Affiliated Providers: Providers who are credentialed and privileged in the company's provider network(s).</p> <p>Business Transaction: A contract or other arrangement for the sale, lease or license of goods or property for consideration; loans; or the performance of services or other transactions involving transfers of cash or property.</p> <p>Confidential Information: Data that the company, our clients, other companies, or other persons believe to be proprietary, private or sensitive and to which Advantage has a duty to protect. Confidential information includes but is not limited to the following: 1) Patients (e.g., patient financial information, protected health information, or personally identifiable information etc.); 2) Workforce members (e.g., salaries, employment records, disciplinary actions, etc.); and 3) Company business (e.g., financial and statistical records, strategic plans, internal reports or memos, policies, procedures, agreements and contracts, communications, source code, etc.).</p> <p>Conflict of Interest: A situation in which an individual interest of a Covered Individual or of</p>	

his/her Family Member has the potential to influence the judgment of the Covered Individual in a matter affecting the interests of a Covered Entity. A Conflict of Interest may be actual, potential or apparent. An apparent Conflict of Interest exists when circumstances give rise to the appearance that a Covered Individual has a Conflict of Interest but an actual Conflict of Interest may not exist.

Covered Entity: A covered entity includes DentaQuest, all subsidiaries, and all entities in which DentaQuest is the ultimate parent.

Covered Individual: Any personnel of a Covered Entity.

Disclosure of Ownership: "Person with an ownership or control interest" is defined in 42 CFR 455.101.

Family Member: An individual's spouse, ancestors, siblings (whether of whole or half- blood), children (natural or adopted), grandchildren, great grandchildren, and spouses of siblings, children, grandchildren or great grandchildren.

Key Employee: An employee of a Covered Entity other than a Director or Officer, who meets all three of the following requirements:

- (1) \$150,000 Requirement: the employee receives compensation reportable for federal income tax purposes from a Covered Entity and all Related Organizations in excess of \$150,000 for a calendar year.
- (2) Responsibility Requirements: the employee meets at least one of the following criteria:
 - Has responsibilities, power or influence over a Covered Entity similar to those of Directors and officers
 - Manages a discrete segment or activity of a Covered Entity that represents 10% or more of the activities, assets, income or expenses of the organization as a whole; or
 - Has or shares authority to control or determine 10% or more of a Covered Entity's capital expenditures, operating budget or compensation of employees.
- (3) Top 20 Test: the employee is one of the 20 employees (other than Directors and Officers who satisfy the \$150,000 Test and Responsibility Test) with the highest reportable compensation from a Covered Entity and its Related Organizations for the calendar year.

Personnel: The term "Personnel" includes employees, independent contractors, Board of Director members, governing bodies, officers, employee subcontractors, consultants, and First Tier, Downstream and Related Entities ("FDRs") (if applicable) of Advantage.

Proprietary Information: Information owned by a company or person. Examples of proprietary information include: copyrighted materials, trade secrets, and or company confidential information.

Related Organization: An organization that controls, is controlled by or is under common

control with a Covered Entity; an organization that is or claims to be a supporting organization of a Covered Entity (as described in Section 509(a) (3) of the Internal Revenue Code); or an organization that is supported by a Covered Entity (as described in Section 509(a) (3) of the Internal Revenue Code).

POLICY:

A. Personnel must avoid any conflict between, on the one hand, their individual interests and the interests of their Family Members and, on the other hand, the interests of a Covered Entity, in the performance of their duties and obligations to a Covered Entity and in any situation in which their conduct may affect the interests of a Covered Entity. If a Covered Individual is uncertain whether a Conflict of Interest exists, whether actual, potential or apparent, the uncertainty should be resolved in favor of disclosure of all of the relevant facts in accordance with this Policy.

B. All Personnel are required to complete one or more of the following disclosures.

- a. **Disclosure of Ownership:** Person with an ownership or control interest means a person or corporation that— a) Has an ownership interest totaling 5 percent or more in a disclosing entity; b) Has an indirect ownership interest equal to 5 percent or more in a disclosing entity; c) Has a combination of direct and indirect ownership interests equal to 5 percent or more in a disclosing entity; d) Owns an interest of 5 percent or more in any mortgage, deed of trust, note, or other obligation secured by the disclosing entity if that interest equals at least 5 percent of the value of the property or assets of the disclosing entity; e) Is an officer or director of a disclosing entity that is organized as a corporation; or f) Is a partner in a disclosing entity that is organized as a partnership.

Conflict of Interest: A situation in which an individual interest of a Covered Individual or of his/her Family Member has the potential to influence the judgment of the Covered Individual in a matter affecting the interests of a Covered Entity. A Conflict of Interest may be actual, potential or apparent. An apparent Conflict of Interest exists when circumstances give rise to the appearance that a Covered Individual has a Conflict of Interest but an actual Conflict of Interest may not exist.

Covered Individuals must complete, sign, and submit a Conflict of Interest Disclosure Statement (attached to this Policy) at the time he or she is employed. Thereafter a Covered Individual is required to complete and submit a Conflict of Interest Disclosure Statement annually. In addition, Covered Individuals shall submit an updated Conflict of Interest Disclosure Form at any time when necessary to reflect any material change or addition to the information previously submitted. Each statement must include an acknowledgement that the Covered Individual has received a copy of this Policy, has read and understands the Policy, has agreed to comply with the Policy, and understands that (with respect to any Covered Entity that is exempt from federal income tax under section 501(a) of the Internal Revenue Code of 1986, as amended (the

"Code") such Covered Entity serves charitable and/or social welfare purposes and in order to maintain its federal tax exemption must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Affiliated Providers must complete, sign, and submit a Disclosure of Ownership form (attached to this Policy) at the time of initial and re-credentialing. In addition, Affiliated Providers shall submit an updated Disclosure of Ownership Form at any time when necessary to reflect any material change or addition to the information previously submitted. Each statement must include an acknowledgement that the Affiliated Provider has received a copy of this Policy, has read and understands the Policy, has agreed to comply with the Policy, and understands that (with respect to any Covered Entity that is exempt from federal income tax under section 501(a) of the Internal Revenue Code of 1986, as amended (the "Code") such Covered Entity serves charitable and/or social welfare purposes and in order to maintain its federal tax exemption must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Key Employees must complete, sign, and submit a Conflict of Interest Disclosure Statement and a Disclosure of Ownership form (attached to this Policy) at the time he or she is employed. In addition, Key Employees shall submit an updated Conflict of Interest Disclosure Statement or Disclosure of Ownership form at any time when necessary to reflect any material change or addition to the information previously submitted. Each statement must include an acknowledgement that the Key Employee has received a copy of this Policy, has read and understands the Policy, has agreed to comply with the Policy, and understands that (with respect to any Covered Entity that is exempt from federal income tax under section 501(a) of the Internal Revenue Code of 1986, as amended (the "Code") such Covered Entity serves charitable and/or social welfare purposes and in order to maintain its federal tax exemption must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

- C. Covered Entities rely upon the integrity of each person and expects adherence to the obligations as set forth in this Policy. Failure to conform one's conduct to the conditions set forth in the Policy may result in removal from the governing body, or other position held, of the applicable Covered Entity or entities, dismissal from employment, or such other actions as may be determined by the applicable governing body.

PROCEDURES:

- A. Duty to Disclose: all Covered Individuals are required, upon hire and annually thereafter, to provide a written attestation disclosing the existence of any known conflicts of interest.
1. Conflicts must be disclosed at that time when they arise regardless of any defined reporting period; and must include all material facts regarding his or

her interest in the transaction, promptly upon learning of the proposed transaction.

2. Other situations may create the appearance of a conflict, or present a duality of interests and should be disclosed as appropriate
3. If a Covered Individual is uncertain whether a Conflict of Interest exists, whether actual, potential or apparent, the uncertainty should be resolved in favor of disclosure of all of the relevant facts in accordance with this Policy.

B. Types of Reportable Conflicts of Interests: it is not possible to identify every circumstance that may give rise to an actual, potential or apparent Conflict of Interest. The following are examples of the kinds of facts and circumstances that may give rise to a Conflict of Interest and that must be reported in a Conflict of Interest Disclosure Statement:

1. **Financial Interests:**

- a. A Covered Individual or his/her Family Member is seeking or has entered into a Business Transaction with any Covered Entity;
- b. A Covered Individual or his/her Family Member has a direct or indirect investment or ownership interest in an entity that is seeking or has entered into a Business Transaction with any Covered Entity. An ownership interest that represents 5% or less of the ownership interests in a publicly traded company need not be considered a financial interest for purposes of this Policy;
- c. A Covered Individual or his/her Family Member or any entity in which a Covered Individual or his/her Family Member has a direct or indirect investment or ownership interest has a compensation arrangement with any Covered Entity other than reimbursement of expenses that satisfy IRS requirements as a business expense or reasonable compensation for services provided in the capacity as a Director of any Covered Entity;
- d. A Covered Individual or his/her Family Member or any entity in which a Covered Individual or his/her Family Member has a direct or indirect investment or ownership interest has a compensation arrangement with an entity that is seeking or has entered into a Business Transaction with any Covered Entity;

2. **Business Affiliations:** A Covered Individual or his/her Family Member is a Director, Officer, employee, consultant, agent, advisor of or otherwise in a position of influence with any person or organization that is seeking or has entered into a Business Transaction with any Covered Entity;
3. **Governmental Affiliations:** A Covered Individual or his/her Family Member holds an elected or appointive office or position in any branch of government or in any regulatory agency with authority or jurisdiction over any Covered Entity;
4. **Authority to Approve or Deny:** A Covered Individual who has authority to approve or deny benefits through the Preauthorization or Claims processes for benefits that cover the individual or his/her Family Member.
5. **Other Outside Activities:** A Covered Individual or his/her Family Member is a Director, Officer, partner, employee, consultant, agent or advisor of, or has a direct or indirect financial interest in an organization that competes with any Covered Entity or engages in activities or advocates for positions that are

inconsistent with the mission or best interests of any Covered Entity or of an organization that has been the recipient of a financial benefit from any Covered Entity;

6. **Outside Employment (“Moonlighting”):** A Covered Individual works for him/herself or another employer, other than the Covered Entity, while employed by the Covered Entity, regardless of the nature or scope of the employment activity.
 7. **Transaction that is NOT a Conflict of Interest:** Participation by Covered Individuals or their Family Members in any benefit plans offered by any Covered Entity in the ordinary course of business, shall not be considered transactions that involves a conflict of interest.
- C. **Disclosure Process:** As part of its Code of Conduct and Ethics Training, Covered Individuals are provided a link to the Conflicts of Interest disclosure Form:
1. The form instructs the Employees to disclose any “perceived” conflicts, which they are directed to route to the Compliance Department.
- D. **Determining Whether a Conflicts Exists:** Upon receipt of a Conflict of Interest Form, the Compliance Committee will meet to discuss:
1. whether a conflict of interest exists;
 2. determine the nature and seriousness of the conflict; and
 3. decide what, if any, steps are necessary to remediate the conflict
- E. **Reporting of Remediation:** After Compliance Committee review of a Conflict of Interest Disclosure form, the Compliance Department will communicate any required remediation to Human Resources, Provider Contracting, and/or DentaQuest Board of Directors respectively.
1. The Compliance Committee will provide a written analysis as to the existence of a conflict;
 2. Where the Compliance Committee determines that a conflict exists, the Compliance Committee will include the defined steps agreed upon to remediate the conflict;
 3. Human Resources will keep copies of the disclosure and acknowledgement.
- F. **Gratuities and Gifts:** No Covered Individual or his/her Family Member may accept a gift, gratuity, entertainment or other material benefit with a fair market value in excess of \$100.00 from an organization that does, or is seeking to do, business with or is a competitor of any Covered Entity.
1. Personnel may not directly or indirectly accept loans, goods, services, rebates, gifts, travel, lodging, entertainment, or any other form of preferential treatment from a non-company organization for the performance of his or her prescribed responsibilities.
 2. Personnel may accept conventional business courtesies, such as lunches, mementos, or modest entertainment which are clearly tokens of respect and friendship unrelated to any particular transaction.
 3. Personnel should contact the Compliance Department with questions about the appropriateness of an offered courtesy.

