

LAC+USC MEDICAL CENTER POLICY

Subject: CONFLICT OF INTEREST	Original Issue Date: 4/1/98	Policy # 224
	Supersedes: 12/9/14	Effective Date: 09/22/22
Departments Consulted: Medical Center Administration Office of Human Resources	Reviewed & Approved by: Attending Staff Association Executive Committee Senior Executive Council	Approved by: (Signature on File) Chief Medical Officer (Signature on File) Chief Executive Officer

PURPOSE

To define approaches to disclosure and response to conflict of interest activities and define activities that are prohibited by State laws and regulations, County of Los Angeles Department of Health Services (DHS) policies, and/or professional codes of ethics.

POLICY

1. Staff shall annually disclose activities that may represent conflicts of interest with their hospital-related or county functions. Such activities include but are not limited to payments for consulting or speaker's honoraria paid by for-profit companies, grants or contracts from private or not-for-profit non-governmental agencies, or equity options in private companies that have a monetary value of greater than \$5,000, or >5% ownership of a for-profit company.
2. Staff shall be prohibited from:
 - Engaging in or having any interest in any business or transaction or incurring any obligation which conflicts with or appears to conflict with, or impairs their independent judgment in the discharge of their official duties.
 - Accepting money, favors, or other considerations for work they would be required or expected to perform in the regular course of their duties.
 - Referring County patients or clients for private reimbursable services to themselves or to any group with which they are associated financially.
 - Accepting gifts, gratuities, or favors of any kind from vendors doing business with the County.
 - Generally, gifts from patients or persons on behalf of patients to individual workforce members should not be accepted. Unsolicited gifts of little or no monetary value may be accepted so long as acceptance of the gift does not influence the timeliness and quality of care, treatment or services.
 - Disclosing confidential information acquired or made available to them in the course of their employment with the County or using such information for speculation or personal gain.
3. Acceptable Conditions for Self-Referral

There may be situations in which the prohibition of self-referral might impact the quality of medical services or might impose substantial additional burden to the patient. In such situations, self-referral by a physician or other licensed health professional or referral to a group with which he or she may be associated financially is acceptable. In all such situations, the following criteria must be met:

- Suitable alternative services are not available.

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- The best interests of the patient require self-referral or referral to a group with which the physician or other licensed health professionals are associated financially.
- Medical Center/component administration shall approve all patient referrals and/or transfers.
- Written documentation of the approval, and the reasons, therefore, shall be inserted in the patient's health/medical record.

The burden of responsibility is upon the employee to disclose and report all potential conflict of interest situations, document the circumstances, and secure from the appropriate head of the division consultation and approval of the procedure to be followed which will be designated to protect the department, the employee, and the public.

4. Requests for disclosure of conflict-of-interest information from patients or their families regarding their caregivers or hospital officials will be referred to the LAC+USC Medical Center Chief Medical Officer (CMO). The CMO will work with county and University officials to gather and disclose the requested information to patients or their family members in a timely manner. Requests for disclosure from parties who are not currently patients or families of patients at the Medical Center will be referred to counsel to determine proper standing of the request and what information if any must be disclosed.
5. Violations of this policy committed by county employees and contractors will be referred to LA County Human Resources for adjudication of appropriate disciplinary action. For University employees, violations will be referred to the LAC+USC Medical Center CMO and the Office of the Dean of the School of Medicine for adjudication of appropriate disciplinary action. In addition, for physicians and mid-level providers, violations of this policy will be referred to the LAC+USC Medical Center Attending Staff Association for adjudication of appropriate disciplinary action.

PROCEDURE

- Disclosures of potential conflicts of interest by hospital employees and contractors will be made during the annual outside employment disclosures for county employees or via the University of Southern California (USC) disclosure mechanisms required for USC employees.
- Human resources shall establish procedures to include an annual written notification to employees of this policy.
- All annual performance evaluations shall have attached a documented review of this policy between the supervisor/manager and the employee.
- Contractors are subject to the terms of the County agreement and Auditor-Controller guidelines.
- Notice shall be given annually to volunteers and other non-compensated persons who do work within the LAC+USC Medical Center.

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RESPONSIBILITY

All Employees
 Administrators
 Office of Human Resources

REFERENCES

45 Code Federal Regulations, Parts 160 and 164, Privacy Standards of the Health Insurance Portability and Accountability Act of 1996
 California Government Code, Sections 87300 - 87313
 Los Angeles County Code, Chapter 5.44, Section 5.44.010
 DHS Policy # 740, Outside Employment/Incompatible Activity, Conflict of Interest and State of California Conflict of Interest and Disclosure Code, and Dual Compensation
 Joint Commission Standards (Ethics, Rights, and Responsibilities)

REVISION DATES

November 13, 1998; April 16, 2002; April 19, 2005; September 30, 2008; December 9, 2014;
 September 22, 2022