
Louisville Health Information Exchange, Inc. (“LouHIE”)
CONFLICT OF INTEREST STATEMENT OF POLICY AND PROCEDURE

POLICY

In any dealings on behalf of or related to the business or interests of LouHIE, LouHIE’s officers and the members of LouHIE’s Board of Directors shall act for the benefit of LouHIE and shall not affect LouHIE adversely.

Prior to their nomination to an elected position or appointment to the board, and during their terms of office, these individuals shall promptly make full disclosure of any existing or new employment, activity, investment, or other interest that might involve obligations that may adversely compete with or be in conflict with the interest of LouHIE. Such disclosable interests include any direct or indirect ownership or compensation arrangement with a person or entity with which LouHIE does business or proposes to do business.

GUIDELINES

Primary reliance is placed on the individual for meeting the intent of this policy. LouHIE adopts the following guidelines to promote the proper and ethical exercise of the individual’s judgment.

1. Activities involving LouHIE
Conflict of interest may exist in those instances where the individual knowingly undertakes actions or activities that involve:
 - A. An adverse effect on LouHIE’s activities, goals or financial well-being.
 - B. The obtaining of improper personal gain or advantage.
 - C. The obtaining by a third party of an improper gain or advantage.

2. Outside interest and activities
Conflict of interest may result from outside interests and activities including employment and other financial or voluntary interests.
 - A. Sustained or continuous employment or investment
Conflict of interest may exist in those instances where the individual, or his/her family, holds a major position or a material financial interest in any organization:
 - (1) From which LouHIE secures good or services.
 - (2) That provides services, publications, or educational programs directly in competition with LouHIE.
 - (3) That is in competition with LouHIE in the purchase or sale of real, personal or intangible property rights or interests.

 - B. Temporary employment and consulting activity
Conflict of interest may exist in those instances where the individual, or of his/her family, renders a directive, managerial, educational or consulting service to an outside organization:

Louisville Health Information Exchange, Inc. (“LouHIE”)
CONFLICT OF INTEREST STATEMENT OF POLICY AND PROCEDURE

- (1) From which LouHIE secures good or services.
- (2) That provides services, publications, or educational programs directly in competition with LouHIE.
- (3) That is in competition with LouHIE in the purchase or sale of real, personal or intangible property rights or interests

C. Voluntary Organizations

A conflict of interest may exist if the individual, or his/her family, provides formal leadership to another organization, particularly if the other organization has one or more of the following attributes:

- (1) It endeavors to attract the same individuals as members as does LouHIE.
- (2) It provides services similar to those that LouHIE provides.
- (3) It has other features that create conflict, or imply competition with LouHIE.

PROCEDURE

1. Each officer, director, nominee for director, and nominee for an elected position shall make a written disclosure of any interest that might result in a conflict of interest. The disclosure shall be made on the attached form or such other forms that LouHIE may adopt from time to time.

This policy, the guidelines, and the disclosure form shall be forwarded to each individual who becomes a nominee or appointee. In addition, each board member and officer shall complete the form within two (2) weeks following adoption of this policy and annually during January of each year.

The forms shall be returned to the LouHIE office for review by LouHIE’s Executive Director and Ethics Committee

2. The Ethics Committee has the power and authority to determine whether circumstances present a conflict of interest or create such an appearance of a conflict that the circumstances must be treated as such. The Ethics Committee may meet with any person who is subject to a potential conflict and may make such additional inquiries as it deems appropriate. Where possible, the Ethics Committee may pursue a resolution of the potential conflicts. One method will be by requesting that an individual develop and agree to a conflict of interest management plan setting forth procedures for the individual to comply with to protect LouHIE from liabilities. The Ethics Committee shall report to the Board of Directors any conflict of interest or apparent conflict of interest that is not resolved before the Ethics Committee. The report may include comments about the cooperation received during its inquiry and the efforts made to forge resolution.
3. The voting members of the Ethics Committee shall be appointed by the Board and shall consist of the Executive Director and at least four additional persons. To the extent practical, the Committee Members shall include at least one person from each quadrant represented in LouHIE’s governance. The Executive Director shall be an ex-officio, non-voting member of the committee. For these purposes, the Executive Director shall not be deemed to have a conflict merely by virtue of holding the position of Executive Director. An individual shall not be eligible to hold voting membership on the committee if that individual has a conflict of interest with LouHIE.

Louisville Health Information Exchange, Inc. (“LouHIE”)
CONFLICT OF INTEREST STATEMENT OF POLICY AND PROCEDURE

4. The Board of Directors shall have the authority and responsibility to resolve conflicts of interest, including, but not limited to, verifying that any transaction with any officer or director, with his/her family member, or with an entity in which any of them have a direct or indirect financial relationship, is established upon terms that are commercially reasonable and consistent with fair market value. The Ethics Committee may serve as an advisor or other resource.

5. If the LouHIE Board of Directors wishes to contract for specific services with an officer or member of the board, with a member of his/her family, or with an entity in which any such person has a financial relationship, the interested officer/board member may not participate in any of the board’s deliberations regarding such a contract, including whether it would create a conflict of interest. In addition, such an individual may not vote on whether to recommend to LouHIE that the contract be accepted. In the event such a contract is entered into, the interested officer/board member may not participate in any subsequent board deliberations regarding implementation or other matters related to the contract.

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CONFLICT OF INTEREST STATEMENT OF POLICY AND PROCEDURE

DISCLOSURE

PREAMBLE

An important responsibility of LouHIE is to conduct its affairs in a manner that merits trust and confidence. The medium through which LouHIE achieves a reputation for integrity is the collective and individual conduct of its leaders. All leaders are required by the circumstances in which they work to so manage their personal and business affairs as to avoid situations that might lead to a conflict, or appearance of conflict, between their self-interest and the objective performance of their duties as members of the board of directors or holding an elected position of LouHIE. A situation that appears to give rise to a conflict of interest can be as embarrassing for LouHIE and the individual involved as a transaction that does, in fact, give rise to such a conflict.

Because the environment in which LouHIE exists as well as the standards of conduct are constantly changing, the public view of LouHIE requires vigilant self-examination of the conduct of its board of directors and members holding elected positions.

STATEMENT OF DISCLOSURE

I hereby state that I and/or members of my immediate family have the following affiliations, employment, or interests and have taken part in the following situations that, when considered in conjunction with the LouHIE position for which I am being considered, currently hold, or potentially may hold, might possibly be considered a conflict of interest.

My statement is in accordance with the purposes and intent of and the Conflict of Interest Statement of Policy and procedure that have been provided to me.

1. Outside Interest and Employment

Identify any outside interest or employment, other than investment, of yourself, or your immediate family as described in Sections 1 and 2 of the accompanying Conflict of Interest Statement.

2. Investments

List and describe, with respect to yourself and your immediate family, all investments within the category of “material financial interest” as described in Sections 1 and 2 of the accompanying Conflict of Interest Statement.

Louisville Health Information Exchange, Inc. ("LouHIE")
CONFLICT OF INTEREST STATEMENT OF POLICY AND PROCEDURE

3. Outside Activities

Identify any outside activities, including leadership in voluntary organizations, that you or your family are involved in that are described in Section 2 of the accompanying Conflict of Interest Statement.

4. Acceptance of Gifts and Hospitality

I hereby certify that neither I, nor any member of my family, have solicited or accepted gifts, gratuities, or entertainment that might tend to influence my judgment or actions concerning activities of LouHIE or its membership as described in Section 1 of the accompanying Conflict of Interest Statement, except as listed below.

5. Other

List any other activities in which you or your immediate family are engaged that could possibly be regarded as constituting a conflict of interest.

I hereby agree to report to LouHIE's Executive Director or the Chair of LouHIE's Ethics Committee any future pertinent situation that may develop and that may constitute a conflict of interest while a candidate for, or a member of, the LouHIE board of directors or any elected positions of LouHIE.

Name: _____

Signature: _____

Date: _____

Date received at LouHIE: _____