



LOYOLA  
UNIVERSITY  
HEALTH SYSTEM

Loyola University Chicago

**Subject: CONFLICTS OF INTERESTS AND DISCLOSURE OF CERTAIN INTERESTS POLICY**

**Date Implemented:** April 14, 1998

**Date Revised:** Aug. 2000; Aug. 2003; Dec. 8, 2005;  
May 21, 2009; August 1, 2010

**University**

**Administration Approval:**

Paul K. Whelton, M.B., M.D., M.Sc.  
President and Chief Executive Officer  
Loyola University Health System/  
Loyola University Medical Center  
Vice President for the Health Sciences  
Loyola University of Chicago

**Medical Center:**

**Administration Approval:**

Sharon O'Keefe  
President  
Loyola University Medical Center

**I. PURPOSE**

The Loyola University Health System (LUHS) and Loyola University Medical Center (LUMC), (collectively the "Corporations"), the Corporations' directors, officers, full-time Medical Staff, administrative staff, employees, and volunteers shall exercise the utmost good faith in all transactions touching upon their duties to their respective Corporations, patients and property. In their dealings with and on behalf of the Corporations, they shall be held to a strict rule of honest and fair dealing between themselves and the Corporations. They shall not use their positions, or knowledge gained therefrom, so that a conflict might arise between their interest and those of the Corporations. All acts of such persons shall be for the best interest of the Corporations. Such persons shall not accept any gifts, favors, or hospitality that might influence your decision making or actions affecting the Corporations.

**II. APPLICATION**

This policy applies to:

1. The LUHS and LUMC Boards of Directors
2. Employees of LUHS and LUMC (including physicians)
3. LUMC medical/dental staff
4. Employees of LUC working on the Maywood campus, including SSOM and shared services
5. LUC faculty on the Maywood campus
6. Graduate Medical Education residents and fellows
7. LUMC volunteers.

**III. PROCEDURE**

It is the intent of the Corporations that this policy be construed broadly to avoid even the appearance of improper activity. If there is any doubt or concern about whether specific conduct or activities are ethical or otherwise appropriate, the person should contact the Department of Corporate Compliance.

1. Possible Conflicts of Interest with Vendors – The Corporations desire to provide staff with sufficient information and guidance regarding acceptable relationships and conduct with vendors as indicated in the following policies:
  - a. Vendor Relations Policy – describes the expectations of vendors, permissible arrangements for vendor funding, permissible arrangements between colleagues and vendors, vendor on-site visits and use of logos – see Policy PS-10

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- b. Vendor Funding for Off-Site Promotional Training and Seminars Policy – establishes parameters surrounding acceptance of Vendor funding for attending off-site Vendor-sponsored seminars, training and other kinds of meetings. – See Policy PS-12
  - c. Permissible Arrangements between Colleagues & Vendors Policy – provides direction for colleagues who engage in consulting services or who are members of Vendors' speaker bureaus. – See Policy PS-13
  - d. Receipt of Vendor Funds for Educational Events – provides direction for the receipt of educational grants from Vendors to help underwrite the costs of Educational Events. – See Policy PS-11
2. Other Possible Conflicts of Interest – The following list provides examples of possible conflicts of interest, but is not meant to be exhaustive. Full disclosure of any doubtful situation should be made on the Annual Disclosure Statement.
- a. Outside Employment – performing services of any kind for another person or entity, which the individual has reason to believe may be in conflict with the interests of the Corporations.
  - b. Outside Interests – holding, directly or indirectly, a position or a financial interest in any outside concern from which the individual has reason to believe the Corporations have or will obtain goods or services or which provides services competitive with the Corporations.
  - c. Confidential Inside Information – using confidential information relating to any of the Corporations' business for personal profit or advantage. This includes divulging to outsiders any information, which has not been authorized for release to the public, including information pertaining to proposed use of service facilities or proposed business ventures.
3. Annual Disclosure Statement Process
- a. Distribution – Annually, the President and Chief Executive Officer of each Corporation or his/her designee shall send a copy of this policy or direct the individual to the location where the policy resides electronically and notice of the requirement to complete the Annual Disclosure Statement to the following individuals:
    - i. All members of the LUHS and LUMC Boards of Directors
    - ii. The elected officers of LUHS and LUMC
    - iii. All other persons who report to the President & Chief Executive Officer of any Corporation
    - iv. All Senior Vice Presidents, Vice Presidents, Associate Vice Presidents, Assistant Vice Presidents, Administrative Directors (or those in comparable job classes) and Managers
    - v. All employees in the respective purchasing department with responsibility for purchasing on behalf of any of the Corporations
    - vi. All members of the LUMC medical/dental staff
    - vii. All LUC SSOM faculty
    - viii. Deans of SSOM
    - ix. All Graduate Medical Education residents & fellows
    - x. Advanced Practice Nurses
    - xi. Any employee involved in extramurally supported research that could influence decision-making, research design or data-collection, analysis and/or presentation in an IRB or IACUC approved project
    - xii. Others as determined by the Chief Compliance Officer and Senior Management.
  - b. Completion – Each individual who receives the notice to complete the statement is expected to do so in a timely manner.
  - c. Review –
    - i. Directors and Officers - The President and Chief Executive Officer, the Secretary, and the Chief Compliance Officer shall review each completed Annual Disclosure Statement for the persons in (i), (ii) and (iii) above, perform any investigation they deem necessary and report to the appropriate Board concerning such review and investigation.
    - ii. President and Chief Executive Officer - The Secretary and the Chairman of the Board for each Corporation shall review the completed Annual Disclosure Statement for the President and Chief Executive Officer, perform any investigation they deem necessary and report to the appropriate Board concerning such review and investigation.

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- iii. Other Key Personnel - The Chief Compliance Officer, in collaboration with the applicable Senior Manager, shall review completed Annual Disclosure Statements for all other key personnel, perform any investigation necessary and report the outcome of the investigation to the appropriate President and Chief Executive Officer and as deemed necessary report to the Corporate Compliance and Internal Audit Committee, the LUHS/LUMC Audit and Corporate Compliance Committee, as applicable.
  - iv. Key Committees' Membership - The Chief Compliance Officer, in collaboration with the applicable Senior Manager, shall review completed Annual Disclosure Statements for all Institutional Review Board members, the Supply Chain Committee and the Pharmacy & Therapeutic Committee.
  - v. Self-Review - No person shall participate in the review or investigation of his/her own Annual Disclosure Statement.
  - vi. Reporting - The Chief Compliance Officer will annually report on the disclosures to the LUHS Audit and Corporate Compliance Committee of the Board.
- d. Document Retention
- i. Directors and Officers - The Secretary of each Corporation shall maintain a file containing a copy of the Annual Disclosure Statement for each member of the applicable Board and each officer.
  - ii. Other Key Personnel - Copies of the Annual Disclosure Statement for all persons, other than members of the directors and officers, shall be maintained electronically by the Corporate Compliance Department.
- e. Newly Appointed Directors and New Hires - Any new LUHS or LUMC Board member or any other individual new to any of the Corporations who would normally be required to complete the Annual Disclosure Statement when distributed, shall promptly review this policy upon arrival and complete an Annual Disclosure Statement.
4. Reporting a Conflict - Although it is recognized that a degree of duality of interest among employees of the Corporations may exist from time to time, such duality shall not be permitted to influence adversely the decision-making process of the Corporations. Any person subject to this policy shall promptly report the existence of a possible conflict of interest for himself or any other person to his or her immediate supervisor. The supervisor shall report all actual conflicts of interest to the Chief Compliance Officer.
5. Monitoring Compliance with this Policy - The Chief Compliance Officer will periodically audit compliance with this Policy.
6. Violations of the Conflict of Interest Policy -
- a. Investigation - If there is reasonable cause to believe that an individual subject to this policy has failed to disclose actual or possible conflicts of interest, the individual shall be informed by the responsible reviewer of the individual's Annual Disclosure Statement of the basis for such belief and afforded an opportunity to explain the alleged failure to disclose.
  - b. Resolution - If, after hearing the response and making such further investigation as may be warranted in the circumstances, and it is determined that the individual has failed to disclose an actual or possible conflict of interest, appropriate disciplinary and corrective action shall be taken by the responsible reviewer of the individual's Annual Disclosure Statement.

**IV. RESPONSIBLE PARTY**

The President & Chief Executive Officer, Secretary, and Chief Compliance Officer shall use all necessary authority to implement this policy, enforce it and assess its effectiveness from time to time.