

## COMPLIANCE 16.0 CONFLICTS OF INTEREST

**Scope:** Personnel employed by any facility subsidiary of Universal Health Services, Inc., excluding UHS of Delaware, Inc. (which is governed by a separate Conflicts of Interest policy), Independence Physician Management and Prominence Health Plan and their personnel.

**Purpose:** To provide a policy for facility personnel concerning the identification, disclosure, and management or elimination of potential and actual conflicts of interest. Activities of facility personnel involving other businesses, organizations or individuals must not interfere or conflict with their duties to the facility or cause loss or embarrassment to UHS or its subsidiaries. Accordingly, facility personnel must identify and disclose such situations to the facility so that the situation can be managed or eliminated.

**Policy:**

Facility personnel should not place themselves in a position where their actions or the activities or interests of others with whom they or with whom a member of their family may have a financial, business, professional, family or social relationship that may be in conflict with the interests of UHS or its subsidiaries. Employees shall not enter into any transaction or activity in which their interests are advanced at the expense of UHS or its subsidiaries, or any transaction or activity which may interfere with the proper performance of their duties or which may cause loss or embarrassment to UHS or its subsidiaries.

- Employees shall not have any direct or indirect interest or relationship with any transaction which might in any way affect their objectivity and independent judgment or conduct in carrying their responsibilities for the facility.
- Employees shall not conduct any business or perform any services for another professional or business venture or enterprise while on company time nor shall they use any company resources for such activities.
- Employees shall refrain from transactions which might in any way embarrass UHS or its subsidiaries because such interest or relationships might reasonably be misunderstood by others. Such transactions, while not including routine business transactions such as reasonable meals, specifically include the receipt of gifts.
- A waiver of a conflict shall be allowed only when full disclosures and appropriate reviews are made and written approval has been granted by the employee's supervisor, the Facility Compliance Officer and the facility CEO. The obligation to disclose is a continuing duty, which requires disclosure at any time any such conflicts may arise.

### Examples of Conflict Situations:

Because each case may involve special circumstances, each case should generally be judged on its own merits. Accordingly, it is not feasible to specify all possibilities which may give rise to a potential conflict of interest that must be disclosed by the employee. Any employee who believes that he or she may have an actual or potential conflict of interest shall report all pertinent information to the Facility Compliance Officer. The following, however, illustrate certain types of more serious potential conflicts which must be disclosed:

1. Involvement, directly or indirectly, in outside commercial interests, such as with vendors, physicians, patients, competitors or others having a business relationship with the facility which could influence the decisions or actions of an employee in the performance of his/her job.
2. Acceptance by an employee or member of his/her family of gifts, entertainment or favors which go beyond common courtesies usually associated with accepted business practice and which could place the employee under obligation to a vendor, physician, patient or other persons having a business relationship with the facility. Reference should be made to the applicable UHS and/or facility gift policy for specific prohibitions.
3. Solicitation by an employee or member of his/her family of gifts, contributions, gratuities, tickets or entertainment from vendors, physicians, patients or others having business relationship with the facility, regardless of dollar value.
4. Maintenance of an interest by an employee or a member of his/her family in a business with which the facility has or is about to have dealings, including the sale or lease of real or personal property or supplying services to the facility. It is incumbent upon the employee to disclose such an interest to their supervisor and/or the Facility Compliance Officer so that the facility's business decision can be made by someone who clearly has no self-interest in the matter.
5. Performance of work, even part time, by an employee of the facility in any other commercial enterprise is generally not allowed. This includes but is not limited to any circumstance or arrangement whereby an employee would be compensated for services performed or provided. However, an employee may seek approval from their manager as long as any outside employment, investment or other source of income is secondary and subordinate to the employee's position with the facility and must not interfere in any way with the performance of duties for the facility. In particular, no employee should work for or provide services to any competitor, vendor, physician, patient, or others having a business relationship with the facility. The petition must be in writing and authorization for outside

employment requires approval by the supervisor and either the Facility Compliance Officer or the applicable facility CEO.

6. Use of facility employees, material, equipment or other company property for personal purposes.
7. Borrowing by an employee or member of his/her family of money, material, equipment, or personnel from any competitor, vendor, physician, patient or others having a business relationship with the facility, except transactions with banks or other institutions in accordance with normal business practices.
8. At any time during or after employment with the facility, using or revealing outside the facility any confidential or proprietary information concerning the facility, or using for personal gain confidential or "insider" information obtained as a result of employment with the facility. All employees working with confidential information should guard against its intentional or inadvertent disclosure to outsiders.

Corrective Action:

Any employee intentionally violating this policy is subject to appropriate corrective action in accordance with applicable UHS HR Policies, including immediate dismissal, and, if appropriate, UHS may seek to recover damages or any improperly received gains and/or encourage prosecution for any possible criminal offenses.

Additional Resources:

1. UHS Employee Handbook
2. UHS Code of Conduct
3. UHS Compliance Manual

**Revision Dates:**

**7-27-2020; 10-12-2017; 10-01-2015; 10-26-2012**

**Implementation Date: 10-21-2010**

**Reviewed and Approved by:**

**UHS Compliance Committee**