

KCACH CONFLICT OF INTEREST POLICY

APPROVED: KCACH Governing Board on June 28, 2017

Article I: Purpose

The purpose of this Conflict of Interest Policy is to protect the interest of the King County Accountable Community of Health (“KCACH” or “Organization”) when it is contemplating entering into a transaction or arrangement that might, in addition to a benefit to the Organization, also be of material financial or other personal benefit to the private interest of any member of the Board of Directors, the Executive Director or Senior Management, or any member of the Executive and Finance Committees of the KCACH (collectively “Members of Management”).

To ensure the KCACH operates in a manner consistent with its charitable purposes and does not engage in activities that could, among other things, jeopardize its tax-exempt status, the KCACH Board of Directors shall conduct periodic reviews of the KCACH Operating Agreement and this Conflict of Interest Policy. A copy (and any updates) of this Conflict of Interest Policy shall be given to each of the Members of Management.

Article II: Definitions

1) Interested Person – Any Member of Management who has a direct or indirect financial interest, as defined below, is an interested person.

2) Financial Interests – A conflict may exist where an interested person directly or indirectly benefits as a result of a decision, policy or transaction made by the KCACH, either through business, investment or a relative (as defined herein):

- a) An ownership or investment interest in any entity with which the KCACH has or is considering entering into a transaction or arrangement;
- b) A compensation arrangement with the KCACH or with any entity or individual with which the KCACH has or is considering entering into a transaction or arrangement; or
- c) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the KCACH is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. A conflict of interest only exists when the Board of Directors, Executive Committee or Finance Committee, as the case may be, decides there is a conflict per Article III below.

A relative is defined as an individual’s (i) spouse or domestic partner; (ii) brothers and sisters (whether whole or half-blood); (iii) children (whether adopted or natural); (iv) grand-children and great-grandchildren; and (v) spouses of brothers, sisters, children, grandchildren and great-grandchildren.

Article III: Procedures

1) Duty to Disclose – In connection with any actual or possible conflict of interest, an interested person must, as soon as possible, disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Board of Directors, the Executive Director, the Executive Committee or the Finance Committee, as the case may be, that is considering the proposed transaction or arrangement.

2) Recusal of Self – Any interested person may recuse himself or herself at any time from involvement in any decision or discussion in which the person believes he or she has or may have a conflict of interest, without going through the process for determining whether a conflict of interest exists.

3) Determining Whether a Conflict of Interest Exists – Board or Executive/Finance Committee chairs may request declarations of actual or possible conflicts of interest among members either at the beginning of a meeting or prior to the discussion of specific agenda items at which a decision is required. After disclosure of the financial interest and all material facts, and after any discussion with the interested person, the chairperson of the Board of Directors, the Executive Committee or the Finance Committee, as the case may request that the interested person(s) leave the meeting while the remaining members decide if a conflict of interest exists.

4) Procedures for Addressing the Conflict of Interest

- a) An interested person may make a presentation at the Board of Directors, Executive Committee or Finance Committee meeting, as the case may be, and be present for the discussion at hand in order to lend his/her expertise as a sector representative; this perspective is an important and central tenet of the KCACH. Except as provided in Section 4f below, he/she shall then leave the meeting when the discussion transitions to the actual vote of the transaction or arrangement involving the possible conflict of interest. The interested person shall not attempt to influence improperly the deliberation or voting on the matter giving rise to the potential conflict of interest.
- b) The chairperson of the Board of Directors, Executive Committee or Finance Committee, as the case may be, shall, if appropriate, appoint a disinterested person or committee to evaluate alternatives to the proposed transaction or arrangement.
- c) After exercising due diligence, the Board of Directors, Executive Committee or Finance Committee, as the case may be, shall determine whether the KCACH can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d) The disinterested members of the Board of Directors, Executive Committee or Finance Committee, as the case may be, may approve the proposed action, policy or transaction upon finding that it is in the best interest of the KCACH. The Board of Directors, Executive Committee or Finance Committee shall consider whether the terms of the proposed action, transaction or policy are fair and reasonable to the KCACH and whether it would be possible, with reasonable effort, to find a more advantageous arrangement with a disinterested party.
- e) Except as provided in Section 4f below, approval by the disinterested members of the Board of

Directors, Executive Committee or Finance Committee, as the case may be, shall be by a 2/3rds vote of the majority in attendance at which a quorum is present. An interested party shall not be counted for purposes of determining whether a quorum is present, or for the purposes of determining what constitutes a 2/3rds majority vote.

- f) In the unusual circumstance where a quorum of disinterested members alone is not possible (e.g., a majority of members have a conflict of interest), the Board of Directors, Executive Committee or Finance Committee, as the case may be, shall count interested members for the purposes of establishing quorum. However, approval shall be made by a 2/3rds vote of the majority of the disinterested persons in attendance (i.e., interested members cannot vote).

5) Violations of the Conflicts of Interest Policy

- a) If the Board of Directors, Executive Committee or Finance Committee, as the case may be, has reasonable cause to believe an interested person has failed to disclose actual or possible conflicts of interest, it shall inform the interested person of the basis for such belief and afford the interested person an opportunity to explain the alleged failure to disclose.
- b) If, after hearing the interested person's response and after investigating further as warranted by the circumstances, the Board of Directors, Executive Committee or Finance Committee, as the case may be, determines the interested person has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV: Records of Proceedings

The minutes of the Board of Directors, Executive Committee or Finance Committee, as the case may be, for proceedings pursuant to this policy shall contain:

- a) The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the decision of the Board of Directors, Executive Committee or Finance Committee, as the case may be, as to whether a conflict of interest in fact existed.
- b) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and record of any votes taken in connection with the proceedings.

Article V: Annual Statements

Each member of the Board of Directors, Executive Committee and Finance Committee shall sign a statement (Exhibit A hereto) as soon as practicable after appointment, to be renewed annually, which affirms such person:

- a) Has received a copy of the conflicts of interest policy;

- b) Has read and understands the policy; and
- c) Has agreed to comply with the policy.

In addition, each member of the Board of Directors, Executive Committee and Finance Committee shall, as soon as practicable after appointment and annually thereafter, sign and submit a statement identifying to the best of the individual's knowledge, any entity of which such individual is an officer, director, trustee, member, owner (either as a sole proprietor or partner) or employee and with which the KCACH has a relationship, and any transaction in which the KCACH is a party and in which the individual may have a conflicting interest.

Article VI: Use of Outside Experts

When conducting the periodic reviews as provided for in this Conflict of Interest Policy, the KCACH may, but is not required to, use outside advisors. If outside experts are used, their use shall not relieve the KCACH Board of Directors of its responsibility for ensuring periodic reviews are conducted.

Appendix: Annual Acknowledgment and Disclosure of Possible Conflict of Interest

As a member of the Board of Directors, Executive Director and Senior Management team, Executive Committee and/or Finance Committee of the KCACH, I recognize that it is incumbent upon me to avoid actual and perceived conflicts of interest that may influence my responsibilities to the KCACH.

I hereby acknowledge the following:

- a) I have received and carefully read the KCACH’s Conflict of Interest Policy. I have considered not only the literal expression of the policy, but also its intent.
- b) I understand and agree to comply with the Conflict of Interest Policy.
- c) I understand that the KCACH is a nonprofit organization and that in order to maintain its federal tax exemption, it must engage primarily in activities that accomplish one or more of its tax-exempt purposes without personal inurement or benefit.

I further acknowledge that, to the best of my knowledge, I am an officer, director, trustee, member, owner (either as a sole proprietor or partner), or employee of, or otherwise have a direct or indirect financial interest in, the following organizations:

If any situation should arise in the future that I think may involve me in a conflict of interest, I will promptly and fully disclose in writing the circumstances to the Board of Directors, the Executive Director, or to the Committee on which I serve.

Name (please print): _____

Employer of record: _____

Signature: _____

Date: _____

KCACH GOVERNING BOARD MEMBER RESPONSIBILITIES & EXPECTATIONS

Provided During Board Member Orientations

Member Roles / Responsibilities

KCACH Governing Board members have general responsibilities that are standard to non-profit/private boards, including:

- Stewarding the KCACH's overall mission and strategic plan
- Selecting, providing direction to, and evaluating the KCACH's Executive Director
- Setting and abiding by the organization's policies and procedures (e.g., conflict of interest)
- Monitoring the KCACH's performance
- Ensuring adequate financial resources and oversight
- Recruiting and onboarding new governing body members
- Ensuring legal and ethical integrity
- Representing and communicating the work of the KCACH to the broader public

Examples of specific duties consistent with these general responsibilities:

- Approving the Regional Health Improvement Plan
- Selecting Medicaid waiver and other priority projects (for waiver projects, might be a recommendation to the state)
- Having financial decision-making authority and responsibility for the implementation of waiver and other projects
- Advising state agencies as needed
- Communicating to the public, interested parties and state officials on the KCACH's progress
- Providing oversight and support to KCACH committees (e.g., finance, data, community engagement, project committees), and authorizing ad hoc committees and work groups as needed
- Ensuring authentic community engagement

Sector Representation & Other Member Commitments

Members bring the experience, expertise and perspective of their sector; they do not represent their personal views or their organization's interests alone:

- All members are expected to proactively solicit the input and perspectives of other organizations within their sector
- All members will provide regular updates/feedback loops regarding the KCACH's work to interested organizations in their sector
- All members will serve as spokespersons for the KCACH (e.g., attend several community forums per year)
- Members will disclose any substantive differences of opinion or disagreements within their sector on decisions before the KCACH Governing Board

Members model the values of the KCACH and interact with one another with a spirit of collaboration, aligned action and deep respect:

- This includes modeling the “Guidelines for Multicultural Interactions”

Members are active participants in the KCACH:

- The work of the KCACH will require a significant level of engagement and time commitment; members are expected to attend KCACH Governing Board meetings and committee meetings as needed (up to 2-4 per month initially) and stay current on KCACH activities
- A member must be present to vote; if a member is unable to attend a Governing Board meeting s/he will send a delegate who is granted full decision making authority
- A member no longer able to actively participate in the Governing Board will notify the board and/or Executive Director and, if appropriate, suggest a replacement
- Members take responsibility for and follow through on agreed upon assignments

Members abide by the KCACH policies and procedures:

- In particular, the conflict of interest policy

New Member Worksheet: Representing My Sector

As outlined above, one of the key responsibilities of serving on this board is your ability to represent and communicate with the broader sector that you represent. For example, if you serve in a hospital seat, how will you proactively engage other members of the hospital community so that their perspective and voice is heard at the KCACH table?

To start this process, please complete the following questions:

Your Name: _____

1. How will you proactively solicit the input and perspectives of other organizations/ individuals within your sector? What can you commit to doing?

2. Are there regular association/coalition meetings or other forums where you can provide regular updates and solicit feedback on the KCACH's work? (Please list)

3. Are you willing to commit to attending 2-3 forums per year to hear from the broader community? (y/n/not sure)

Board Member Commitments for Proactive Community Engagement (2017)

During the Governing Board orientations, members agreed to proactively represent, communicate and engage their sectors to ensure the community's voice is incorporated into the KCACH's work. Specifically, Governing Board members agreed to facilitate two-way communication to the following groups and communities (in addition to their own organizations).

| SECTOR / SEAT | MEMBER | ASSIGNED COMMUNITY OUTREACH / NETWORK |
|---|--|---|
| Provider/Payer | | |
| Primary care provider | Kristin Conn, Kaiser Permanente | Washington Association of Family Practice Physicians King County Medical Society MultiCare Franciscan Medical Groups |
| Federally qualified health centers | Teresita Batayola, International Community Health Services | Community Health Center Council |
| Hospital, health systems | Elizabeth 'Tizzy' Bennett, Seattle Children's Hospital Elise Chayet, Harborview Medical Center Preston Simmons, Providence Health and Services | King County Hospital for a Healthier Community WA State Hospital Association (WSHA) North Seattle Connections Network WSHA Public Policy Group Statewide WSHA/ACH forums Various hospital board meetings King County Hospital for a Healthier Community |
| Behavioral health providers | Molly Carney, Evergreen Treatment Services David Johnson, Navos Mental Health Services Daniel Malone, Downtown Emergency Service Center | King County Mental Health Providers Association Navos Consortium WSHA Behavioral Health Advisory Committee WA Council for Behavioral Health All Home Governing Board |
| Managed care organization | Amina Suchoski, UnitedHealthcare | Frequent MCO ACH meetings HCA Title XIV Workgroup State of Reform Health Policy Conference NW Regional Primary Care Association Centers of Excellence for Allied Health (workforce) Frequent HCA meetings |
| Local public health | Patty Hayes, Public Health – Seattle & King County | Departments of Health and Early Learning, and various contacts in the health care sector (CHCs, hospitals, MCOs, etc.) |
| King County | Adrienne Quinn, Dept. of Community and Human Services, King County | Various behavioral health, housing and homelessness and other service connections |

| SECTOR / SEAT | MEMBER | COMMUNITY OUTREACH / NETWORK |
|---|---|--|
| Government | | |
| City of Seattle | Jeff Sakuma, Department of Human Services, City of Seattle | Seattle Mayor's Office Seattle City Council, relevant sub-committees City of Seattle, relevant departments |
| Suburban area | Erin Sitterley, SeaTac City Council | City Council leadership meetings Sound Cities Association Association of WA Cities Puget Sound Regional Council |
| Community / Consumer | | |
| Community-based equity networks, coalitions/consumer advocate orgs | Roi-Martin Brown, WA Community Action Network Shelley Cooper-Ashford, Healthy King County Coalition, Center for MultiCultural Health Marya Gingrey, Regional Equity Network | WA Community Action Network forums Regional Equity Network and Steering Committee Healthy King County Coalition members South Communities Organizing for Regional and Racial Equity (South CORE) ACH C/CV Committee organizations/members |
| Tribes | | |
| Federally recognized tribes in KC | Steve Kutz, Cowlitz Indian Tribe (2 vacant seats – Muckleshoot, Snoqualmie tribes) | Indian education personnel via MOU affiliated school districts Various community events |
| Urban Indian Health Board | Esther Lucero, Seattle Indian Health Board | American Indian Health Commission Urban Native Leaders |
| Community Based Organizations / Social Determinants of Health | | |
| Housing | Betsy Lieberman, Affordable & Public Housing Group | King County Housing Consortium Seattle Housing Authority King County Housing Authority Housing and Health Partnership |
| Long-term care services/supports | Maureen Linehan, Area Agency on Aging | Various long-term care service provider groups (e.g., Community Living Connections) |
| Non-profit social service organizations | Steve Daschle, Southwest Youth & Family Services Jihan Rashid, Somali Health Board | Seattle Human Services Coalition King County Alliance for Human Services Youth Development Executives of King County Youth and Family Services Association East Africa Community Services Ethiopian community Puget Sound Sage Companion Athletics (youth based organization) Somali Family Youth Club Somali Community Services Health Alliance International Muslim Health Professionals, UW Makkah/Mercy Association Center |

| SECTOR / SEAT | MEMBER | COMMUNITY OUTREACH / NETWORK |
|---------------------|--|--|
| Philanthropy | Ceil Erickson, The Seattle Foundation | Philanthropy Northwest King County Grant Makers |
| At-large | Sarah Rafton, WA Chapter of American Academy of Pediatrics | Academy's Health Care Transformation Committee, Behavioral Health Advisory Team, Behavioral Health Champions and Physician Champions |