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BJC HEALTHCARE ACCOUNTABLE CARE ORGANIZATION POLICY

APPLIES TO: BJC HealthCare Accountable Care Organization

TITLE: BJC HealthCare Accountable Care Organization Conflict of Interest Policy

NUMBER: No. 1

PURPOSE: This policy outlines the principles and procedures used by the BJC HealthCare Accountable Care Organization to identify, disclose, and manage potential and actual Conflicts of Interest in such a way as to: (1) support and complement its ability to fulfill its exempt purposes and those of its sole corporate member, BJC HealthCare; and (2) further the Accountable Care Organization's commitment to conduct business in compliance with all applicable laws and regulations, in accordance with the highest standards of ethics and integrity.

I. Statement of Policy

It is the policy of the BJC HealthCare Accountable Care Organization ("ACO") to comply with all applicable state and federal laws and regulations. This policy is intended to supplement the ACO's Compliance Plan and policies by providing specific guidance regarding the identification, disclosure and management of potential or actual conflicts of interest involving members of the ACO's Board of Managers, which is the governing body of the ACO. Compliance with the procedures outlined in this Policy is necessary to preclude the possibility that the purposes and interests of the ACO will be compromised and to reduce the likelihood of the appearance of inappropriate involvement or bias in decision making functions which may reflect unfavorably upon the ACO.

II. Scope of Policy

The policy applies to all members of the ACO Board of Managers.

III. Policy Statement and Procedures

Conflicts of Interest

A "Conflict of Interest" potentially exists whenever a member of the ACO's Board of Managers ("Board Member") or a related party (such as a family member, friend, or business

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associate), has an interest in a non-ACO party -whether investment, compensation, or otherwise - that could be reasonably perceived as influencing his or her activities in managing or directing the activities and performance of the ACO. Such conflicts potentially compromise the Board Member's duty of loyalty to the ACO. The facts and circumstances in each situation will determine whether the interest in question constitutes a potential conflict.

Board Member Responsibilities

Board Members must avoid or disclose any interest, activity or relationship which conflicts with the interest of the ACO. Accordingly, each Board Member will be required to disclose relevant financial interests in accordance with the procedure described in the BJC HealthCare Conflict of Interest Policy[1] (Attachment A).

Procedures for Managing Potential or Actual Conflicts Of Interest as identified by this Policy

In accordance with the BJC HealthCare Conflict of Interest Policy, the ACO Compliance Officer will review all financial interests disclosed by ACO Board Members and determine whether a conflict of interest exists. When such a conflict does exist, the ACO Compliance Officer will develop a management plan as described in the BJC Conflict of Interest Policy.

In the event a Board Member is disqualified or disqualifies him or herself from acting on a particular transaction at a Board or Committee meeting, the minutes of the meeting should reflect that a disclosure was made and that the Board Member abstained from voting. These procedures shall be followed:

1. The interested Board Member may make a presentation at a Board or Committee meeting, but after such presentation, he or she shall leave the meeting during the discussion of and vote on the transaction or arrangement that involved or resulted in the conflict of interest.
2. The Chairperson of the Board or Committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
3. After exercising due diligence, the Board or Committee shall determine whether the ACO can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.
4. If a more advantageous transaction or arrangement that would not give rise to a conflict of interest is not reasonably attainable, the Board or Committee shall determine by a majority vote of the disinterested Managers or Committee members whether the transaction or arrangement is in the ACO's best interest and for its own benefit and whether the transaction is fair and reasonable to the ACO and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

[1] BJC HealthCare Corporate Compliance Policy #9, "Conflict of Interest Policy."

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Violations of the Conflicts of Interest Policy

1. If the Board of Managers, any Board of Managers Committee, or ACO Compliance Officer has reasonable cause to believe that a Board Member, has failed to disclose actual or possible conflicts of interest, or otherwise violated this Policy, it shall inform the individual of the basis for such belief and afford an opportunity to explain the alleged violation or failure to disclose. If after investigation the ACO Compliance Officer substantiates the allegations, the findings will be provided to the Chairperson of the ACO's Board of Managers. The Chairperson shall determine and implement corrective action, which may include measures up to and including removal or resignation from office.

2. In circumstances in which a violation of the Policy is also found to have resulted in a violation of law or regulations, the ACO shall take appropriate action to render the activities in conformance with applicable laws or regulations.

IV. Responsibility of All BJC Employees and all Employees of ACO

All ACO participants and their respective employees or agents are responsible for being aware of, and complying with ACO policies and procedures. Questions or issues regarding the policies shall be directed to the ACO Program Manager or the ACO Compliance Officer

V. ACO Compliance Officer Review, Approval and Assistance

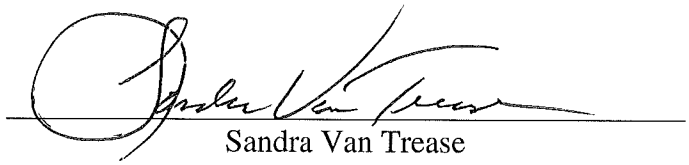
Any exception, change or deviation from this Policy must be reviewed and approved by the ACO Compliance Officer. The ACO Compliance Officer or ACO Program Manager will be available to answer any questions and to provide assistance and advice to ACO members concerning this Policy.

RECOMMENDED BY: BJC HealthCare ACO Board of Managers

EFFECTIVE DATE: May, 2012

REVIEWED: December, 2013

AUTHORIZED BY: Sandra Van Trease



Sandra Van Trease
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