

**EPIC MANAGEMENT, L.P.  
BEAVER MEDICAL GROUP, L.P.  
EPIC HEALTH PLAN**

**ADMINISTRATIVE POLICY AND PROCEDURE  
COMPLIANCE**

<b>SUBJECT:</b> Conflicts of Interest	
<b>DRAFTED BY:</b> Sherry Miller, CCO	<b>DATE:</b> 8/17/2020
<b>REVIEWED BY:</b>	<b>DATE:</b>
<b>REVISED BY:</b>	<b>DATE:</b>
<b>APPROVED BY:</b> Compliance Committee	<b>DATE:</b> 8/17/2020
<b>BOARD APPROVAL DATE:</b> N/A	
<b>EFFECTIVE DATE OF POLICY:</b> 9/1/2020	

1. **PURPOSE:** This EPIC Conflicts of Interest Policy (1) provides a statement of EPIC's policy regarding the avoidance of actual, potential, and/or perceived Conflicts of Interest; and (2) establishes procedures for the disclosure and resolution of actual, potential, and/or perceived Conflicts of Interest in the best interests of EPIC, its mission, and the patients for whom it cares. This Policy is intended to supplement, but not replace, any applicable federal, state or local laws or regulations or contract obligations governing conflicts of interest.
2. **ATTACHMENTS:** EPIC Conflict of Interest Attestation.
3. **DEFINITIONS:**
  - a. All capitalized terms used but not defined in this Policy shall have the meaning attributed to them in the EPIC Compliance Program Definitions Policy.
  - b. In addition, the following capitalized terms shall have the following meanings for purposes of this Policy:
    - i. "Board" refers collectively to the Boards of Directors of EPIC Health Plan, EPIC Management, Inc., and The Beaver Medical Clinic, Incorporated.
    - ii. "Conflict(s) of Interest" occurs whenever an Interested Person or an Immediate Family Member has a direct or indirect Personal Interest or Financial Interest in the outcome of a decision over which the Interested Person has control or influence that could affect the

Interested Person's independent judgment and/or could be inconsistent with the Interested Person's duties and responsibilities on behalf of EPIC or the patients whom it serves.

- iii. "Conflict of Interest Attestation" or "Attestation" refers to the EPIC Conflict of Interest Attestation attached to this Policy.
  - iv. "Financial Interest" refers to a direct or indirect relationship whereby an Interested Person or Immediate Family Member potentially receives income or other remuneration, including, but not limited to, investment and/or ownership interests in excess of five percent (5%) of the total interest in a given entity. Financial Interests can also include employment, other compensation arrangements, or other transactions involving the exchange of remuneration.
  - v. "Immediate Family Member" refers to a spouse or civil union partner; natural or adoptive parent, child, or sibling; stepparent, stepchild, stepbrother or stepsister; father-in law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law; grandparent or grandchild; and the spouse of a grandparent or grandchild.
  - vi. "Interested Person" refers to any Board member or Personnel.
  - vii. "Personal Interest" refers to any relationship or arrangement belonging to an Interested Person or Immediate Family Member whereby such individual stands to directly or indirectly gain as a result of a decision. Personal Interests can include, but are not limited to, Financial Interests.
4. **POLICY:** Interested Persons (i.e., Board members and Personnel) must perform their duties in the best interests of EPIC and its patients, and must avoid transactions, arrangements, and decisions that may give rise to an actual or perceived Conflict of Interest.
5. **PROCEDURE:** Interested Persons (i.e., Board members and Personnel) must disclose to EPIC all actual and/or potential Conflicts of Interest, as described herein. For all such disclosures, the Corporate Compliance Officer (or their designee) must assess whether there is an actual and/or perceived Conflict of Interest and, if so, take appropriate steps to address it, as described herein.
- a. **Attestation; Duty to Disclose Actual or Potential Conflicts of Interest**
    - i. Each Interested Person must review this Policy and complete, sign, and date a Conflict of Interest Attestation (i) within sixty (60) days of their appointment, employment, or engagement, (ii) at any time during the year when an actual or potential Conflict of Interest

arises that was not included on the prior Attestation, and (iii) at least annually thereafter to keep the information current.

1. Per the above, in the event that in the period between executing the prior Conflict of Interest Attestation and executing the next annual Conflict of Interest Attestation, an Interested Person's Attestation ceases to be accurate or complete, the Interested Person must immediately complete, sign, and date a new Attestation.
  2. It is the responsibility of every Interested Person to ensure that their Conflict of Interest Attestation is promptly updated and remains current.
  3. In the event that an Interested Person receives a request from the Corporate Compliance Officer (or their designee) for a new or updated Conflict of Interest Attestation, the Interested Person must complete, sign, and date a new Attestation within thirty (30) ] days following the request or such shorter period as required by the Corporate Compliance Officer (or their designee).
- ii. Even independent of the Conflict of Interest Attestation process outlined above, an Interested Person has the following disclosure duties:
1. All Board members have a duty to disclose to the applicable Board of Directors and to the Corporate Compliance Officer all material facts in connection with any existing or proposed transaction or arrangement that could result in an actual, potential, or perceived Conflict of Interest.
  2. All other Personnel have a duty to disclose to the Corporate Compliance Officer all material facts in connection with any existing or proposed transaction or arrangement that could result in an actual, potential, or perceived Conflict of Interest.
- iii. All completed Conflict of Interest Attestations must be promptly provided to the Corporate Compliance Officer who will review the Attestations and maintain the records in compliance with EPIC's Compliance Program Records Retention Policy.

**b. Addressing Actual or Perceived Conflicts of Interest**

- i. The Corporate Compliance Officer shall review all Conflict of Interest disclosures (whether through the Conflict of Interest Attestation or otherwise) and determine whether there is an actual

or perceived Conflict of Interest, and if so, the best course of action to address such Conflict of Interest, provided that:

1. In the event of an actual or perceived Conflict of Interest affecting a proposed transaction or arrangement before a Board of Directors, the disinterested members of such Board of Directors, in consultation with appropriate senior management, shall exercise due diligence to:
  - a. Determine whether the original proposed transaction or arrangement is in EPIC's best interests, for EPIC's own benefit, and is fair and reasonable;
  - b. Assess the potential risks associated with the actual or perceived Conflict of Interest;
  - c. To the extent appropriate or necessary, determine whether an alternative transaction or arrangement reasonably could be identified that (i) would be comparable or superior to the original proposed transaction or arrangement, and (ii) would avoid the actual or perceived Conflict of Interest; and
  - d. In light of the above, decide whether EPIC will enter into the proposed transaction or arrangement.
2. Any Interested Person with an actual or perceived Conflict of Interest shall be required to recuse themselves from any negotiations or decisions involving transactions or arrangements related to those parties or services in which the Interested Person has a direct or indirect Financial Interest or other Personal Interest.
3. An Interested Person with an actual or perceived Conflict of Interest is not permitted to enter into any contractual arrangement on behalf of EPIC, or to authorize or make any payment to an entity in which the Interested Person has a Financial Interest or other Personal Interest.

**c. Compliance with Other Disclosure Requirements**

- i. All Interested Persons are required to comply with applicable federal and state laws and regulations and/or other applicable rules, policies, and procedures relating to disclosures of actual or potential conflicts of interest, including, but not limited to:

- a. Reporting requirements for physicians under the “Open Payments” disclosure program established by the Centers for Medicare & Medicaid Services;
- b. Rules of institutional review boards in connection with the conduct of clinical research activities;
- c. Rules of professional societies in connection with material being published and/or presented at conferences; and
- d. In the case of research sponsored in part by the federal government, the requirements of the specific agency funding the research (for example, the National Institutes of Health, the Food and Drug Administration, and the Centers for Disease Control and Prevention).

**d. Violations of the Conflicts of Interest Policy**

- i. If the Corporate Compliance Officer has reason to believe an Interested Person has failed to disclose an actual or potential Conflict of Interest, or has otherwise violated this Policy, the Corporate Compliance Officer will inform the Interested Person and allow the Interested Person to explain the alleged noncompliance.
- ii. If, after hearing the response and making such further investigation as may be warranted in the circumstances, the Corporate Compliance Officer determines that such Interested Person has, in fact, failed to disclose an actual or potential Conflict of Interest, or has otherwise violated this Policy, the Corporate Compliance Officer shall report such violations to the applicable Board of Directors, as appropriate, and EPIC shall take appropriate corrective and/or disciplinary action, up to and including termination.

**e. Documentation**

- i. All Conflict of Interest Attestations, as well as all other disclosures or documents relating to Conflicts of Interest and their resolution, shall be maintained in the personnel files of Interested Persons in compliance with EPIC’s Compliance Program Records Retention Policy.

**f. Monitoring and Auditing**

- i. Compliance with this Policy shall be monitored and audited by the Corporate Compliance Officer. Such monitoring and auditing shall be documented in the Compliance Program files and maintained in

compliance with EPIC's Compliance Program Records Retention Policy.

**6. EXAMPLES:** The following is a non-exhaustive list of examples of types of circumstances, relationships, and arrangements involving Interested Persons or their Immediate Family Members that could give rise to an actual, potential, or perceived Conflict of Interest, which are required to be disclosed under this Policy:

- a. Ownership of, investment in, employment by, transactions or arrangements with, and/or holding a position of influence (e.g., a board position) at an entity doing or seeking to do business with EPIC or potentially competing with EPIC, including, for example:
  - i. a vendor, supplier, consulting firm, or other services provider;
  - ii. a direct or indirect competitor of EPIC; and/or
  - iii. an entity that refers business to EPIC, or to which EPIC refers business.
    - 1. Note. Arrangements with potential Referral Sources are subject to and must comply with EPIC's Contractual Arrangements with Referral Sources and DHS Entities Policy.
- b. Receipt of grant funds and/or other involvement in clinical research activities (e.g., supervising, directing, budgeting).
- c. Holding intellectual property rights (e.g., patents, copyrights, royalties).
- d. Receipt of gifts or entertainment from vendors (e.g., trips, tickets, coupons, gift certificates, or other items of value).
  - i. Note. Gifts and entertainment are subject to and must comply with EPIC's Gifts, Gratuities, Business Courtesies, and Other Non-Monetary Compensation Policy.
- e. Receipt of consulting fees and/or honoraria, generally.
- f. Existence of contractual or other financial relationships with pharmaceutical and/or medical device manufacturers, generally. This includes, for example:
  - i. Participation on a product review panel; and/or
  - ii. Speaking at a manufacturer-sponsored conference.

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**CONFLICT OF INTEREST ATTESTATION**

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Please check those statements that apply in section I or II and then sign below.

**I. Applies if you are free of any Conflict of Interest**

- ☐ I hereby certify that I have read, understand, and agree to comply with EPIC's Conflicts of Interest Policy.
- ☐ I hereby certify that I am free of any actual or potential Conflict of Interest required to be disclosed under such Policy.

**II. Applies if you may have a Conflict of Interest**

- ☐ I hereby certify that I have read, understand, and agree to comply with EPIC's Conflicts of Interest Policy.
- ☐ As is known by EPIC, I own a minority interest in the following entities (if applicable, check all that apply):
  - ☐ Fern Properties
  - ☐ Boulder Baseline Investors
  - ☐ Beaver Medical Clinic, Inc.
  - ☐ Beaver Medical Group, LP (DD, CC or CC3 units)
  - ☐ EPIC Management, LP
  - ☐ Other (ISC, etc.) List entity: \_\_\_\_\_
- ☐ I hereby disclose the following additional relationships, transactions, arrangements, positions (volunteer or otherwise), and/or circumstances that I believe could contribute to an actual or potential Conflict of Interest involving any entity that may currently have or may be negotiating proposed transactions or arrangements with EPIC: *(Use the back of this form or attach a separate sheet, as needed.)*
- ☐ I hereby certify that the above is a complete list of all direct or indirect financial or other interests required to be disclosed under EPIC's Conflicts of Interest Policy.

By my signature below, I certify that, to the best of my knowledge and belief, the information contained in this response is true and accurate.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

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