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**Hackensack**  
*Meridian Health*

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**Policy Area:** Admin 1500 Legal Issues  
**Applies To:**  
**Applicability:** Hackensack Meridian Health Network

## CONFLICTS, DUALITIES OF INTEREST AND INDEPENDENCE

### I. Scope:

This system-wide policy on conflicts and dualities of interest and independence (the “**Policy**”) applies to the Trustees, Officers, Committee Members, and Key Employees of (a) Hackensack Meridian Health, Inc. (“**Hackensack Meridian Health**”); and (b) the direct and indirect subsidiaries of Hackensack Meridian Health that are wholly owned or controlled by Hackensack Meridian Health (together with Hackensack Meridian Health, the “**System**” and each entity, a “**System Entity**”).

### II. Purpose:

To ensure that Hackensack Meridian Health and other tax-exempt System Entities remain in compliance with the IRS standards for tax exemption and to implement the best practices for governance by outlining standards for board and committee members.

To promote and protect the interests of the System when entering into transactions that may also benefit the personal or private interests or competing interests of one or more governing board members, officers, board committee members, or Key Employees of a System Entity. This Policy is intended to supplement, but not replace, any applicable state or federal laws governing conflicts of interest applicable to nonprofit, charitable, or tax-exempt corporations.

Through this Policy, Hackensack Meridian Health recognizes that independence among its Trustees and Committee Members fosters and maintains good governance practices and will help to create a strong foundation for the System. At the same time, it recognizes that not all Trustees and Committee members will be independent unless required under law or regulation, and, further, that both real and apparent Conflicts or Dualities of Interest sometimes occur in the course of conducting the System’s daily affairs. Conflicts or Dualities occur because the many persons associated with the System may be expected to have, and do in fact generally have, multiple interests and affiliations and various positions of responsibility within the community.

Conflicts and Dualities of Interest generally are undesirable because they may cause, or appear to cause, the System’s representatives to place their own personal or private interests or the interests of third parties ahead of the System’s interests and the fulfillment of the System’s charitable, scientific, and educational purposes. Conflicts and Dualities are also undesirable because they may reflect adversely upon the involved persons

and upon the institutions with which they are affiliated, regardless of the actual facts or motivations of the parties. However, the long-range best interests of the System do not require the termination of all associations with persons who may have real or apparent Conflicts or Dualities of Interest, as long as a prescribed and effective methods and processes, such as disclosure and recusal, can render such Conflicts or Dualities of Interest harmless to all concerned. In fact, in certain situations, it may be in the best interests of a System Entity to contract with a company affiliated with a Trustee, for example because of such factors as quality, reliability, favorable pricing, sole sourcing, enhanced service, social responsibility, or other similar bona fide factors.

In addition to setting out specific standards for the independence of Trustees and Committee Members, this Policy requires that, as set forth below, all actual or apparent Conflicts or Dualities of Interest be disclosed promptly and fully to all necessary parties. Further, this Policy implements specific measures to ensure that, where Conflicts or Dualities of Interest exist, they are addressed in a manner that protects and promotes the interests of the System and the achievement of its charitable, scientific, and educational purposes. Finally, this Policy provides for sanctions for material noncompliance with the Policy.

### III. Definitions:

A. **Interested Person.** Any of the following individuals who has a direct or indirect Interest (as defined below) is an Interested Person:

1. A trustee or director of a System Entity (each a "Trustee");
2. An officer of a System Entity (each, an "Officer");
3. A key employee of a System Entity, as that term is defined in the instructions to IRS Form 990 as in effect for the relevant year (each a "Key Employee") (for ease of reference, a copy of the IRS definition as of the date of the adoption of this Policy is attached hereto as Attachment 1); and
4. A member of a board committee of a System Entity (each, a "Committee Member").

If a person is an Interested Person with respect to any System Entity, he or she is an Interested Person with respect to all entities within the System. The governing board of a System Entity may determine, on the basis of all the facts and circumstances and with the advice of legal counsel, that a person not listed above shall be treated as an Interested Person with respect to a particular contract, transaction, or arrangement.

B. **Interest.** An Interest, whether direct or indirect, through business, investment, or the business or investment of an Interested Person or a Family Member (as defined below), shall mean:

1. An ownership or investment interest in any entity (other than a publicly held entity) with which a System Entity has or is negotiating a transaction or contractual arrangement (including joint ventures);
2. A compensation arrangement with a System Entity or with any entity or individual with which a System Entity has or is negotiating a transaction or contractual arrangement;
3. A potential ownership or investment interest in or compensation arrangement with any entity or individual with which a System Entity is negotiating a transaction or contractual arrangement; and
4. A director/trustee or officer position or other position of substantial influence with respect to an entity that competes with a System Entity.

Compensation includes direct and indirect remuneration as well as gifts or favors. In addition to disclosing the offer and/or acceptance of such compensation as set forth herein, all Trustees, Officers,

Key Employees, and Committee Members *shall refuse to accept any gifts in the form of cash or gift certificates* from any entity or individual doing business with or seeking to do business with a System Entity or from any employee of a System Entity in which such Trustee, Officer, Key Employee, or Committee Member has a supervisor relationship. Trustees, Officers, Key Employees, and Committee Members *shall also refuse to accept any gifts or benefits from a potential referral source.*

An Interest is not necessarily a Conflict or Duality of Interest. Under this Policy, an Interested Person has a Conflict or Duality of Interest only if the relevant governing board or committee decides that a Conflict or Duality of Interest exists, as further described below in Article V.

- C. **Family Member.** Family Members, for purposes of this Policy, include a person's spouse or domestic partner, ancestors (e.g., parents, grandparents, great-grandparents), children grandchildren, great-grandchildren, siblings (whether by whole or half blood, natural, or adopted), and the spouses of children, grandchildren, great-grandchildren, and siblings.
- D. **Conflict of Interest.** A Conflict of Interest occurs when an Interested Person has an Interest that is disclosed as or found under this Policy to be personal and proprietary to the Interested Person or to his or her Family Member, and the promotion or protection of such Interest will or may cause such Interested Person to act in a manner opposed to, incompatible with, or otherwise not fully aligned with the best interests of the System or the achievement of the System's charitable, scientific, and educational purposes.
- E. **Duality of Interest.** A Duality of Interest occurs when an Interested Person has an Interest that is disclosed as or found under this Policy to be not personal or proprietary to the Interested Person or his or her Family Member, where the promotion or protection of such Interest will or may cause such Interested Person to act other than exclusively in furtherance of the best interests of the System and/or the achievement of the System's charitable, scientific, and educational purposes. A Duality of Interest shall include, without limitation, a competing fiduciary or contractual obligation.
- F. **Disinterested Members.** In keeping with the rebuttable presumption of reasonableness test of Treasury Regulations section 53.4958-5, board and committee members are considered disinterested only if, with respect to a particular compensation arrangement or other transaction under consideration, he or she must comply with the following:
1. Is not participating in or benefiting economically from the compensation arrangement or other transaction, and is not a Family Member of any such participant or beneficiary;
  2. Is not in an employment relationship that is subject to the direction or control of any other member who is participating in or benefiting economically from the compensation arrangement or other transaction;
  3. Does not receive compensation or other payments that are subject to approval by any other member who is participating in or benefiting economically from the compensation arrangement or other transaction;
  4. Has no material financial interest that is affected by the compensation arrangement or other transaction; and
  5. Does not approve a transaction that provides economic benefits to any other member who is participating in the compensation arrangement or other transaction, and who in turn has approved or will approve a transaction that provides economic benefits to the member.

## IV. TRUSTEE AND COMMITTEE MEMBER

# INDEPENDENCE

## A. Independence of the Board of Trustees of Hackensack Meridian Health

To assure the exercise of independent judgment by the members of Hackensack Meridian Health Board of Trustees and to protect against the perception of risk created when individuals have a material financial or personal relationship with the organization or with its leadership, Hackensack Meridian Health's Board of Trustees shall be composed of solely independent members (other than its CEO [1], who serves *ex-officio*), subject to the exceptions process described in Section IV.B below. Members described as follows are not considered to be independent:

1. Members compensated by any System Entity as an employee, officer, or independent contractor;
2. Members whose compensation is determined by individuals who are compensated by a System Entity;
3. Members who directly or indirectly receive material financial benefits from a System Entity, except as a member of the charitable class served by such entity or as expense reimbursement for a board or committee member;
4. Members who are a Family Member of or reside with any individual described in paragraphs (1) through (3) above; or
5. Members who are an elected official or whose spouse, parent, child or sibling (whether by whole or half blood, natural or adopted) is an elected official. For the avoidance of confusion, "elected official" shall not refer to individuals who are *appointed* to serve in an official capacity.

[1] During the Co-Leadership Term, any reference to the "CEO" shall mean the "Co-CEOs".

B. **Exceptions Process** The independence standard described herein is not intended to deny access to highly qualified candidates. The independence standard may be rebutted if (1) there are compelling circumstances to warrant considering an exception; and (2) the candidate's potential lack of independence is significantly attenuated so as to substantially eliminate any reasonable risk of affecting the candidate's judgment as a board member. Exceptions to the independence standard shall be considered on a facts and circumstances basis by the HMH Governance and Board Development Committee when making its recommendation on candidates to the full governing board.

## C. Independence of Hackensack Meridian Health Board Committees

To assure the exercise of independent judgment by the members of certain committees of the Hackensack Meridian Health Board of Trustees and to protect against the perception of risk created when individuals have a material financial or personal relationship with the organization or with its leadership, the following committees shall be composed of solely independent members (as independence is described in Section IV.A above or more specifically defined in the Charter of such Board committee): (1) Executive and Physician Compensation Committee; and (2) Audit and Compliance Committee. The chairperson and vice chairperson of each committee, except for the co-chairpersons of the Medical Council and the vice chairperson of the Finance Committee, shall be independent, subject to the exceptions process set forth in Section IV.B above.

## D. Independence of Subsidiary Governing Boards

To assure the exercise of independent judgment by the members of the governing boards of System Entities other than the Hackensack Meridian Health Board of Trustees (the "Subsidiary Governing Boards") and to protect against the perception of risk created when individuals have a material financial or personal relationship with the organization or with its leadership, each Subsidiary Governing Board



shall have at least 75% of its membership composed of independent members (as independence is described in Section IV.A above). Notwithstanding the foregoing, the Board of Trustees of HMM Hospitals Corporation shall comply with the same independence policy as the Board of Trustees of Hackensack Meridian *Health* as set forth in Sections IV.A and IV.B above.

## **V. CONFLICTS AND DUALITIES OF INTEREST**

### **A. Duty to Disclose**

Each Interested Person who has an Interest in a transaction or arrangement being considered by a System Entity shall disclose the existence and nature of the Interest and all material facts to the chairperson of the governing board or committee that is considering the proposed transaction or arrangement (or if the chairperson has an Interest to disclose, he or she shall make such disclosure to the vice-chair). For purposes of this Policy, disclosure requires providing promptly to the appropriate persons (as described above) a written description of all material facts regarding the Interest, including whether the Interested Person believes such Interest to result in a real or apparent Conflict or Duality of Interest. Such disclosure shall be made any time an actual, apparent, or potential Conflict or Duality of Interest arises and before the consummation of the contract, transaction, or arrangement that is the subject of the potential Conflict or Duality of Interest.

### **B. Determining Whether a Conflict or Duality of Interest Exists**

Upon making a disclosure, an Interested Person may conclude of his or her own volition that a Conflict or Duality of Interest exists. Alternatively, the relevant governing board or committee shall review the matter and determine whether a Conflict or Duality of Interest exists. In such circumstances, after disclosure of the Interest and all material facts, the Interested Person shall leave the governing board or committee meeting while the determination of a Conflict or Duality of Interest is discussed and voted upon.

### **C. Procedures for Addressing a Conflict or Duality of Interest**

1. The Interested Person may provide information and input to the relevant governing board or committee, as requested by such board or committee. Thereafter, however, the Interested Person shall leave the meeting room for, and shall not in any way participate in, the deliberations and voting regarding the transaction or arrangement for which there is a Conflict or Duality of Interest.
2. If appropriate or warranted, on the basis of the totality of the circumstances, the chairperson of the governing board or committee may appoint a person or committee of persons who have no real or apparent Conflicts or Dualities of Interest with respect to the proposed transaction or arrangement to investigate alternatives to the proposed transaction or arrangement.
3. After exercising due diligence, the governing board or committee shall determine whether, with reasonable efforts, the relevant System Entity could obtain a more advantageous transaction or arrangement from a person or entity that would not give rise to a Conflict or Duality of Interest.
4. If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a Conflict or Duality of Interest, the governing board or committee shall determine by a majority vote of the Disinterested Members, even if such members may be less than a quorum, whether the transaction or arrangement is in the System's best interest and for its own benefit, and whether the transaction is fair and reasonable to the System, and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

### **D. Violations of the Conflicts and Dualities of Interest Policy**

This Policy has been established to protect both the System and the Trustees, Officers, Key Employees,

and Committee Members. Willful violations shall not be tolerated.

1. If a System Entity board or committee has reasonable cause to believe that an Interested Person has failed to disclose actual or possible Conflicts or Dualities of Interest, it shall inform the Interested Person of the basis for such belief and shall afford such person an opportunity to explain the alleged failure to disclose.
2. After hearing the response of the Interested Person and making such further investigation as may be warranted under the circumstances, if the board or committee determines that the person has in fact failed to disclose an actual or possible Conflict or Duality of Interest, it shall take appropriate disciplinary and corrective action. The chosen sanction shall reflect the board or committee's view of the violation's seriousness and the degree of harm or potential harm to the System and may include removal (in the case of a Trustee, Officer, or Committee Member) or termination (in the case of a Key Employee).

#### **E. Records of Proceedings**

1. The names of the persons who disclosed or otherwise were found to have Conflicts or Dualities of Interest, whether determined by the Interested Person or by the remainder of the board or committee; the nature of the Interest; any action taken to determine whether a Conflict or Duality of Interest was present; whether the Interested Person left the meeting room and did not participate in the deliberation and voting with respect to the Conflict or Duality of Interest; and the board or committee decision as to whether a Conflict or Duality of Interest in fact existed.
2. The names of all persons who were present for discussions and votes relating to the transaction or arrangement, the general content of the discussion, any alternative transactions or arrangements considered, and any votes taken in connection therewith.

#### **F. Annual Statements**

The chairperson of each System Entity governing board shall have the affirmative obligation, either directly or through his or her delegates, to implement and periodically publicize this Policy and its procedures to all Trustees, Officers, Key Employees, and Committee Members.

At least annually, each Trustee, Officer, Key Employee, and Committee Member shall sign a statement for the purpose of disclosing Interests that may give rise to Conflicts or Dualities of Interest and affirming that such person:

1. Has received a copy of this Policy;
2. Has read and understands this Policy;
3. Has agreed to comply with this Policy;
4. Understands that the System includes nonprofit organizations that are organized and operated exclusively for charitable, scientific, and educational purposes, and, to maintain their federal tax exemption, they must be operated in a manner that is consistent with this Policy; and
5. Will report promptly any change in his or her responses that may result from changes in circumstances or any further Interest, situation, activity, interest, or conduct that may develop before completion of his or her subsequent annual questionnaire.

The form annual questionnaire to be completed and signed by each Trustee, Officer, Key Employee, and Committee Member is attached hereto as Attachment 2.

## Attachments

Attachment 1 - IRS Definition of Key Employee  
Attachment 2 - Conflicts and Dualities of Interest Questionnaire  
Schedule A - System Entity List 2018

## Approval Signatures

Step Description	Approver	Date
	Thomas Flynn: SVP Chief Compliance Officer	01/2022
	Daniel McManus: Compliance Officer North	01/2022

## Applicability

Bayshore Medical Center, Carrier Clinic, HMM Nursing & Rehabilitation, Hackensack Meridian Health Inc., Hackensack University Medical Center, Home Health and Hospice, JFK Medical Center, JFK Medical Center EMS, Jersey Shore University Medical Center, Legacy Meridian Health, Ocean University Medical Center, Old Bridge Medical Center, Palisades Medical Center, Physician Services Division, Raritan Bay Medical Center, Riverview Medical Center, Southern Ocean Medical Center, System Search Engine (All Sites)

## **Attachment 1: IRS Definition of Key Employee**

A **Key Employee** is an employee of an organization (other than an officer, director, or trustee) who meets all three of the following tests applied in the following order:

1. **\$150,000 Test.** Receives reportable compensation from the organization and all related organizations in excess of \$150,000 for the calendar year ending with or within the organization's tax year.

2. **Responsibility Test.** The employee:

- a. Has responsibilities, powers or influence over the organization as a whole similar to those of officers, directors, or trustees;
- b. Manages a discrete segment or activity of the organization that represents 10% or more of the activities, assets, income, or expenses of the organization, as compared to the organization as a whole; or
- c. Has or shares authority to control or determine 10% or more of the organization's capital expenditures, operating budget, or compensation for employees.

3. **Top 20 Test.** Is one of the 20 employees (that satisfy the \$150,000 Test and Responsibility Test) with the highest reportable compensation from the organization and related organizations for the calendar year ending with or within the organization's tax year.

Adapted from the 2015 Instructions to IRS Form 990.



**ATTACHMENT 2**

**[YEAR] CONFLICTS AND DUALITIES OF INTEREST QUESTIONNAIRE**

NAME: \_\_\_\_\_

This Questionnaire has been prepared to facilitate carrying out the policies and procedures contained in the Policy on Conflicts and Dualities of Interest and Independence adopted by Hackensack Meridian Health and applicable to each of the direct and indirect subsidiaries of Hackensack Meridian Health that are wholly owned or controlled by Hackensack Meridian Health (collectively with Hackensack Meridian Health, the “System” and each individually, a “System Entity”).

***General Instructions***

For each of the questions below, provide the requested information to the best of your knowledge. If the requested information is not applicable, write “none.” If more space is required to complete any item, a separate sheet of paper clearly marked and signed, should be attached. You need not assign a monetary value to any disclosure that you make in answer to any of the questions.

Please note that the questions below apply to you and your “Family Members.” Those individuals considered to be “Family Members” for purposes of the Questionnaire include your spouse or domestic partner, ancestors, children, grandchildren, great-grandchildren, siblings (whether by whole or half blood, natural, or adopted), and the spouses of children, grandchildren, great-grandchildren, and siblings.

***Relationship(s) with Multiple System Entities***

Listed on the attached **Schedule A** are the System Entities that have adopted and apply the Policy on Conflict and Dualities of Interest and Independence. Please review **Schedule A** and list below the System Entities with which you or a Family Member have a relationship.

***Please describe below any relationship that you have or that a Family Member has with any of the System Entities (e.g., serving as a Board member, officer, volunteer, employee, consultant, agent, or advisor).***

**CORPORATION/COMMITTEES**

**RELATIONSHIP**

_____	_____
_____	_____
_____	_____
_____	_____

***Please provide a separate response to each question below with respect to each System Entity with which you or a Family Member are involved.***

**1. MATERIAL OWNERSHIP OR INVESTMENT INTEREST**

A conflict of interest may exist if you have or a Family Member has a material ownership or investment interest in any corporation, partnership or entity that does business with a System Entity; seeks to do business with a System Entity; provides goods or services to a System Entity; competes with a System Entity; or has any other business or financial relationship with a System Entity. *For purposes of evaluating the materiality of an ownership or investment interest, a disclosure should be made below if that interest:*

- (i) exceeds 5% of the individual's total assets;*
- (ii) accounts for more than 5% of the individual's annual income;*
- (iii) exceeds 2% of the total investment in the corporation, partnership, or entity; or*
- (iv) exceeds, either individually or combined with a Family Member's interest, 5% of any class of outstanding stock, securities, or other ownership interest of such company.*

**Example A.** The Organization leases automobiles from General Motors. A trustee owns 100 shares of General Motors stock. Unless that investment represents more than 5% of the trustee's total assets, it is not "material" and need not be reported.

**Example B.** A trustee's wife owns 10% of the stock of ABC Company from whom the Organization leases automobiles. The investment is "material" and must be reported.

*The following is a description of all businesses in which I have or a Family Member has a material ownership or investment interest (as defined above), which are engaged, or are about to engage in, or are seeking to engage in, any transaction, contract, or arrangement with a System Entity.*

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**2. COMPENSATION ARRANGEMENTS**

A conflict of interest may exist when an individual or a Family Member receives compensation from an individual, corporation, partnership, or other entity that does business with (or seeks to do business with) a System Entity.

**Example.** A member of the Board of Trustees is a partner in an accounting firm engaged by the Organization.

**Example.** The granddaughter of a member of the Board of Trustees is an engineer in a civil engineering firm that provides services to the Organization.

Compensation includes all forms of cash and noncash payments or benefits provided in exchange for services, including salary and wages, bonuses, severance payments, deferred payments, retirement benefits, fringe benefits, and other financial arrangements or transactions such as personal vehicles, meals, housing, personal and family educational benefits, below-market loans, payment of personal or family travel, entertainment, and personal use of the organization's property.

*In order to determine if the arrangement must be disclosed on a System Entity's Form 990, please list the estimated compensation amount expected to be received during this calendar year.*

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**3. ARRANGEMENTS WITH A SYSTEM ENTITY**

A conflict of interest may exist when certain business or personal courtesies are extended to a board member, officer, employee, or committee member by a System Entity or by another board member, officer, employee, or committee member of a System Entity. Many of the questions below are now required on the revised Form 990 that is submitted by tax exempt organizations.

**(a) Are you or a Family Member currently, or within the last five years have you or a Family Member been suspended, debarred or terminated from participation in Medicare, Medicaid, Champus or any other federally funded program?**

No  Yes If yes, please describe: \_\_\_\_\_

**(b) Is any Family Member an employee (full- or part-time) of a System Entity?**

No  Yes If yes, please describe: \_\_\_\_\_

**(c) Did you, an entity in which you have an ownership interest, or, to your knowledge, any Family Member, receive any Grant or Other Assistance from a System Entity? Grants or Other Assistance includes the provision of any funds, goods or services, including the use of facilities, gratuitously or for less than the fair market value of whatever is provided. It does not include salaries or other compensation to employees or payments to**

independent contractors if the primary purpose is to serve the direct and immediate needs of the organization (such as legal, accounting, or fundraising services).

No  Yes If yes, please specify the name of the recipient, the relationship of the recipient to you (including your ownership percentage if the recipient is an entity you own), a description of the Grant or Other Assistance, and the estimated value of what was provided: \_\_\_\_\_

(d) Did you, an entity in which you have an ownership interest, or, to your knowledge, any Family Member, receive or provide a loan that was outstanding during the fiscal year from or to a System Entity?

No  Yes If yes, please specify the name of the recipient, the relationship of the recipient to you (including your ownership percentage if the recipient is an entity you own), a description of the loan, and the estimated value of the loan: \_\_\_\_\_

(e) Do you or a Family Member have a family relationship or business relationship with any other officer, trustee or key employee of a System Entity?

Note: With respect to any family or business relationship you disclose, please note that the System Entity's annual tax return will disclose only that a family or business relationship exists, and will not provide any details as to the nature of that relationship.

For this question 3(e), exclude and do not report any relationships between (i) attorney and client, (ii) medical professionals (including psychologists) and patients, or (iii) priest/clergy and penitent/communicant. Thus, for example, if you are a client of a law firm with which another trustee is affiliated, you do not have to disclose that fact.

**Business relationships between two persons include any of the following situations:**

- i. **Family Member in a System Entity — At any time during the most recent fiscal year, did any Family Member hold any position in a System Entity?**

No  Yes If yes, please specify the Family Member, his or her relationship to you, and the position held by the Family Member in a System Entity: \_\_\_\_\_

- ii. **Employed by an Insider — At any time during the most recent fiscal year, were you an employee of any person having a connection with a System Entity (such as a trustee or employee)? Were you an employee of an entity that is owned or controlled by someone having a connection with a System Entity? (For example, if a trustee of a System Entity is on the board of your employer, you would answer "yes" to this question.)**



No  Yes If yes, please specify both the employer and the other person who has a connection to both the System Entity and your employer:

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iii. **Engaging in Outside Business Together** — At any time during the most recent fiscal year, did you and another person having a connection with a System Entity (such as a trustee or employee) engage in a Business Transaction – either personally or through a business that you or that person owns or controls? (For example, if you had a services agreement with a business that is owned by someone on a System Entity’s Board, you would answer “yes” to this question.)

No  Yes If yes, please specify the other person involved, the type of business transacted, that amount paid in connection with the transaction, and whether the business transaction involved the purchase of goods or services at the same cost offered to the general public: \_\_\_\_\_

iv. **Jointly Serving Another Organization** — At any time during the most recent fiscal year, did you and anyone having a connection with a System Entity (such as a trustee or employee) both serve the same unrelated business or investment entity in some capacity – as a director, trustee, employee or owner? (For example, if you served as a director of an entity in which a trustee of a System Entity was an officer, you would answer “yes” to this question.)

No  Yes If yes, please specify the other person involved, the other business or investment entity you jointly served, and the relationship each of you had to that entity: \_\_\_\_\_

(f) **Did you or a Family Member participate in a new or ongoing Transaction with a System Entity?** The term “Transactions” refers to a sale, purchase, lease, license, service agreement, joint venture (in which each party has a capital interest or interest in profits that in either case exceeds 10%), or similar arrangement or agreement, including providing employment or independent contractor services. Individual payments made under the same agreement or under the same transaction are treated as a single Transaction. An arrangement or agreement that began before the period being reported, but that involved payments made during the period being reported, still is treated as a Transaction.

No  Yes If yes, please describe: \_\_\_\_\_

#### 4. ACCEPTANCE OF GIFTS OR HOSPITALITY

The acceptance of gifts from individuals or firms that do business (or that seek to business) with a System Entity may place an individual in a compromising position that is not in the best interest of the System Entity. For this reason, you should refuse to accept any gifts from any person or organization that does business or that seeks to do business with a System Entity in the form of cash or gift certificates and from any employee of a System Entity with whom you have or a Family Member has a supervisory relationship.

***The following is a description of all cash gifts and/or gift certificates (collectively, “cash gifts”) that I have or that a Family Member has been offered during the year, (i) by a person or organization doing business or seeking to do business with a System Entity or (ii) by an employee of a System Entity with whom I have or a Family Member has a supervisory relationship. I declined to accept such gifts.***

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In addition, the offer and/or acceptance of “noncash gifts” (and the term “gifts” includes services, meals, or entertainment) must be disclosed if the value of such gifts (individually or in the aggregate from the same individual and/or firm) is reasonably likely to impair (or create the appearance of impairing) the objective judgment of the recipient.

**Example.** A consulting firm that is in the process of negotiating a contract with the Organization buys box seat tickets to a baseball game for an officer of the Organization and his wife. The acceptance of this “gift” must be reported.

***The following is a description of all gifts or gratuities (including entertainment) that I have or a Family Member has been offered/received (please indicate which) in the past twelve (12) months from any person or organization that does business or is seeking to do business with a System Entity and that are reasonably likely to impair (or create the appearance of impairing) my objective judgment.***

**NOTE:** You need not report the value of meals to the extent that (i) such meals are taken in settings generally considered appropriate and reasonable for business meals and (ii) a substantial business discussion takes place at such meal or immediately before or after such meal.

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The acceptance of anything of value from a referral source (e.g., physician, nursing home, home health agency, durable medical equipment company, laboratory) or the solicitation by you of anything of value from a referral source are prohibited. Federal and state laws impose substantial criminal and/or civil penalties on individuals and entities that solicit or accept anything of value from a referral source. The General Counsel of the Health System should be consulted if you have any questions about a potential situation with a referral source.

**The following is a description of all gifts that I have been offered during the year by a referral source. I declined to accept such gifts.**

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**5. CONTROLLING INTERESTS; OTHER AFFILIATIONS**

A conflict or duality of interest may exist if an individual or a Family Member has a controlling interest in any enterprise that is in competition with a System Entity. A “controlling interest” is any combination of direct or indirect ownership or beneficial interest, individually or in conjunction with a Family Member, that permits election or selection of a majority of the governing body of an organization.

**Example.** A member of the Board of Trustees and his wife together control the appointment of 3 out of the 5 members of the Board of Directors of a nursing home located in the Organization’s service area.

*The following is a description of all businesses in which I have and/or a Family Member has a controlling interest and which businesses are or may reasonably be considered to be in competition with a System Entity.*

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**Do you or a Family Member serve as a director, trustee, officer, or in any other fiduciary capacity for a corporation (public, private, or charitable), partnership, or other entity that could be in competition, directly or indirectly, with a System Entity?**

No  Yes If yes, please describe your title and nature of your responsibilities: \_\_\_\_\_

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**6. GOVERNMENTAL AFFILIATIONS**

*The following is a description of all elected or appointed offices or positions that I hold or that a Family Member holds in any branch of government or in any regulatory agency having authority or jurisdiction over health care.*

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**7. OTHER POTENTIAL CONFLICTS OR DUALITIES OF INTEREST**

This Questionnaire describes and gives examples of many of the types of conflicts, potential conflicts, and situations involving the appearance of impropriety that should be disclosed

to a System Entity's governing board. It is impossible, however, to describe every such situation. In general, if a relationship that you have or that a Family Member has with another person or entity could reasonably be anticipated to have some impact upon your independence of judgment when acting for a System Entity, it presents a potential conflict or duality and should be disclosed. It cannot be overemphasized that if there are any conditions, situations, transactions, or relationships that present any doubts in your mind as to a possible conflict or duality of interest or the appearance of a conflict or duality, you should err on the side of complete disclosure.

*The following is a description of any other conditions, situations, transactions, activities or relationships involving myself or a Family Member that might reasonably be regarded as constituting a conflict or duality of interest (actual or potential), or of giving the appearance of such a conflict or duality.*

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**8. CERTIFICATION AND AGREEMENT**

I hereby certify and agree to the following:

A. I have received a complete copy of the Hackensack Meridian Health Policy on Conflicts and Dualities of Interest and Independence, I have read and understand the Policy, and I agree to comply with the Policy.

B. With respect to all tax-exempt System Entities, I understand that the System Entity is a charitable 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.

C. I agree to promptly report to the Chairperson of the Board of Trustees of Hackensack Meridian Health or to the chairperson of the governing board of the System Entity with which I am affiliated any additional information or circumstances involving a possible conflict or duality made known to me or arising after submission of this Questionnaire and before submitting the next Questionnaire.

E. I understand that it is my additional responsibility to disclose any possible conflict or duality of interest when such interest becomes a matter of Board action or other committee action at a meeting during which I am present.

F. I further agree that I will not reveal any confidential information learned in the course of my duties to any unauthorized person, nor will I use any such information for personal profit. I will not divulge any information about System Entity decisions or any other information to any other person under circumstances that might be prejudicial to the interest of the System Entity, except as related to discharging my responsibilities to the System Entity.

G. The information contained herein is true and accurate to the best of my knowledge and belief as of this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Signed: \_\_\_\_\_

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

**SCHEDULE A**  
**SYSTEM ENTITY LIST**

Hackensack Meridian Health, Inc.  
HMH Hospitals Corporation  
Palisades Medical Center, a division of HMH Hospitals Corporation  
Palisades Medical Center Foundation, Inc.  
HMH Residential Care, Inc. (formerly known as Hackensack Meridian Health Home Care Services, Inc., and Hackensack Meridian Nursing and Rehabilitation, Inc.)  
Hackensack University Medical Center Foundation, Inc.  
Bergen Health Management System, Inc.  
Hackensack Meridian Health Ventures, Inc.  
Hackensack Meridian Quality Care, LLC  
Palisades Child Care Center, Inc.  
iMPak Health, LLC  
Meridian Hospitals Corporation, now merged into HMH Hospitals Corporation  
Jersey Shore University Medical Center, a division of HMH Hospitals Corporation  
Bayshore Medical Center, a division of HMH Hospitals Corporation  
Riverview Medical Center, a division of HMH Hospitals Corporation  
Ocean Medical Center, a division of HMH Hospitals Corporation  
Southern Ocean Medical Center, a division of HMH Hospitals Corporation  
Raritan Bay Medical Center, a division of HMH Hospitals Corporation  
Raritan Insurance Ltd.  
Hackensack University Medical Center, a division of HMH Hospitals Corporation  
20 Prospect Ave Holdings, LLC  
Hackensack University Medical Center Casualty Company, Ltd.  
HMH Physicians Services, Inc. (formerly known as Meridian Practice Institute, Inc.)  
Hackensack Meridian Ambulatory Ventures, Inc.  
Hackensack Physician Hospital Alliance ACO, LLC  
Meridian Accountable Care Organization, LLC  
Hackensack Meridian Health Partners, LLC  
Coastal Medical Insurance, Limited  
Meridian Health Foundation, Inc.  
Jersey Shore University Medical Center Foundation, Inc.  
Ocean Medical Center Foundation, Inc.  
Riverview Medical Center Foundation, Inc.  
Southern Ocean Medical Center Foundation, Inc.  
Bayshore Medical Center Foundation, Inc.  
Raritan Bay Healthcare Foundation, Inc.  
Hackensack Meridian Health Realty Corporation  
Hackensack Meridian Nursing and Rehabilitation, a division of HMH Residential Care, Inc.  
Hackensack Meridian Home Care Services, a division of HMH Residential Care, Inc.  
Health Innovations Unlimited, Inc.  
JFK Health System, Inc.  
The Community Hospital Group, Inc. d/b/a JFK Medical Center

John F. Kennedy Medical Center Foundation, Inc.  
Hartwyck West Nursing Home, Inc.  
JFK Assisted Living, Inc. d/b/a Whispering Knoll  
Robert Wood Johnson, Jr. Lifestyle Institute, Inc.  
Hartwyck at Oak Tree, Inc.  
Hartwyck at JFK, Inc.  
Muhlenberg Regional Medical Center, Inc.  
JFK Health Systems Realty Corp.  
JFK Healthshare, Inc.  
JFK Population Health Company, Inc.  
Atlantic Insurance Exchange, Ltd.  
Shore Rehabilitation Institute, Inc.  
Muhlenberg Foundation, Inc.