

REGION II HUMAN SERVICES

CONFLICT OF INTEREST POLICY

Effective Date: May 23, 2013
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Approval Date: May 23, 2013
Approved by: Region II Human Services Governing Board

Purpose

The purpose of this policy is to protect Region II and avoid exposure to conflicts of interest in the organization, while complying with Nebraska Revised Statutes and rules promulgated by the Department of Health and Human Services. In furtherance thereof, Region II Human Services hereby adopts the following conflict of interest policy, which shall apply to the Region II Human Services Governing Board, officers and employees of Region II Human Services (whether in its capacity as a Behavioral Health Authority or a provider of services), as well as and current and prospective providers contracting with Region II.

Definition of Conflict of Interest

A conflict of interest is defined as a situation in which the concerns or aims of two different parties are incompatible. Such a conflict of interest may arise in multiple situations within Region II, including when the Region and/or providers have a competing interest in a service that may be impacted (financially or otherwise) by a decision that is under the authority of the Region, or when there is conflict between the private interests and the official responsibilities of a person in a position of trust. Examples of a conflict may include, but are not limited to the following: 1) funding cuts occur and there is not an objective and uniform way for the Region to apply cuts due to variances in contract terms, units performed and unperformed, and other factors, then a conflict of interest may exist, 2) in the event a service provider's contract is prematurely terminated or said provider is not fulfilling their contractual obligation and there are no competitive bids for replacement services requiring the Region to fulfill the remainder of the contract term and a determination needs to be made as to what portion of the contract funds are to be paid to the provider and to the region for service provided or to be provided, 3) the existence of a related party transaction, or 4) complaints with the provision of services by Region. Other real or perceived conflicts of interest may also arise that are not in the contemplation of the Region at the time of the adoption of said policy.

Disclosure of Potential Conflicts of Interest

Each member of the Region II Human Services Governing Board, as well as administrative staff of Region II Behavioral Health Authority shall complete an annual conflict of interest disclosure statement in the form attached to this policy.

The information included on this form should disclose, to the best of his/her knowledge, all potential conflicts of interest at the time the form is submitted. Additionally, should any conflict arise between disclosure dates, a written statement advising of the conflict should be submitted to the Region II Governing Board as soon as the board member or employee becomes aware of it and always before any actions involving the potential conflict are taken.

Procedures for Handling Conflicts of Interest

Behavioral Health Authority Conflicts

If a potential conflict of interest arises or a conflict of interest is asserted by a third party with regard to Region II's actions as a Behavioral Health Authority, Region II Human Services shall take the following action:

- a) The Region will inform the third party to set forth in writing the details of the alleged conflict of interest and provide any supportive documentation to the Regional Administrator or the Chairman of the Governing Board. Said information shall be shared with the Region II Human Services Governing Board if not submitted directly to the Chairman.
- b) The Governing Board shall review the allegations to determine whether a conflict has arisen. In order to consider the alleged conflict, the Regional Administrator will provide the Region II Human Services Governing Board with a written statement of the alleged conflict of interest and any supportive documentation. The matter will be set to be heard at the next scheduled Governing Board meeting for consideration. The board member or employee which the potential conflict concerns shall not be present for deliberation or vote on the matter and must not attempt to influence improperly the determination of whether a conflict exists.
- c) The Governing Board will review all relevant information available to them regarding the alleged conflict of interest and take the appropriate action under the circumstances which would include, but not limited to following:
 - 1) Make a determination that a conflict of interest does not exist and set forth in writing the reasons therefore and provide said written determination to all interested parties. No further action is required.
 - 2) Make a determination that additional information is required, continue the matter for further consideration and take action as appropriate to acquire the additional information.
 - 3) Make a determination that a conflict does exist. From that point, the Governing Board may take appropriate steps to address or resolve the conflict which will depend on the type of conflict. One of possible options for resolution may include, but is not limited to, referring the matter to a neutral entity for resolution (i.e. the State Director of the Division of Behavioral Health or a mediator).

Region II d/b/a Heartland Services Conflicts

If a potential conflict of interest arises or a conflict of interest is asserted by a third party with regard to Region II's actions as a provider of behavioral health services, the following procedure applies:

- a) All complaints or assertions of a conflict of interest shall be in writing and directed to the Chairman of the Region II Human Services Governing Board, who shall bring the matter to the attention of the Board at its next scheduled meeting.
- b) The Governing Board shall review the allegations to determine whether a conflict has arisen. The board member or employee in which the potential conflict concerns shall not be present for deliberation or vote on the matter and must not attempt to influence improperly the determination of whether a conflict exists. However, the Governing Board may seek information from the person with the conflict prior to its deliberation.
- c) The Governing Board will review all relevant information available to them regarding the alleged conflict of interest and take the appropriate action under the circumstances which would include, but not limited to following:
 - 1) Make a determination that a conflict of interest does not exist and set forth in writing the reasons therefore and provide said written determination to all interested parties. No further action is required.
 - 2) Make a determination that additional information is required, continue the matter for further consideration and take action as appropriate to acquire the additional information.
 - 3) Make a determination that a conflict does exist. From that point, the Governing Board may take appropriate steps to address or resolve the conflict, which will depend on the type of conflict. One of possible options for resolution may include, but is not limited to, referring the matter to a neutral entity for resolution (i.e. the State Director of the Division of Behavioral Health or a mediator).

Related Party Conflicts

For purposes of this policy, a related party conflict shall mean a conflict wherein a member of the board or an employee of Region II, or a relative of a board member or employee, individually or through an entity in which they have an ownership interest, enters into a transaction or business relationship with Region II. For example, in the event the spouse of a Governing Board member is a licensed mental health therapist and enters into an agreement with Region II for the provision of mental health services, a related party transaction exists.

In the event of a related party transaction, the transaction shall not be considered a conflict, if the transaction would not customarily be reviewed by the board in the ordinary course of business and is available to others on the same or similar terms; the transaction constitutes a benefit provided to a related party solely as a member of a class of the beneficiaries that Region II intends to benefit as part of the accomplishment of its mission (and that benefit is available to all similarly situated members of the same class on the same terms).

Region II shall not enter into a related party transaction when a conflict exists unless, after good faith disclosure of the material facts by the board member or employee, the board determines that the transaction is fair, reasonable and in Region II's best interest at the time of such determination.

If the related party has a substantial financial interest, the Governing Board shall:

- a) Prior to entering into the transaction, consider alternative transactions to the extent available;
- b) Approve the transaction by a vote of not less than a majority of the Board present at the meeting; and
- c) Contemporaneously document in writing the basis for its approval, including its consideration of any alternative transactions.

Additional Requirements to Avoid Conflicts of Interest

All members of the Governing Board, employees of Region II, or any current or prospective providers are prohibited from:

- a) Receiving any gifts or gratuities, with financial value or otherwise, from individuals or organizations doing business with the BHA or a provider
- b) Misusing confidential information for financial gain (for himself/herself or a family member) or to secure unwarranted privileges or exemptions;
- c) Using the organization's personnel, resources, property or funds for personal financial gain;
- d) Employing persons related by kinship or personal or professional association without prior written approval from the BHA; or
- e) Using or attempting to use an official position to secure unwarranted privileges or exemptions for themselves or others.

Policy Violations

If the Governing Board or Regional Administrator has reasonable cause to believe a person subject to his policy has failed to disclose actual or possible conflicts of interest, it/he/she shall inform the person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose.

If, after hearing the person's response and after making further investigation as warranted by the circumstances, the Governing Board determines the person has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action. Said disciplinary or corrective action may include, but is not limited to, removal from the Governing Board, employee termination, or termination of a contract (in the event of a current or prospective provider).

Conflict of Interest Certification and Disclosure Form

As defined in the Region II Human Services Conflict of Interest Policy, the undersigned Governing Board member, or administrative staff of Region II:

1. Affirm that I have received or have access to, have read, and understand the most current version of the Policy;
2. Agree to comply with the Policy;
3. Based upon good faith belief, to the best of my knowledge, and except as disclosed below, certify that I currently comply with the Policy;
4. Disclose the following information or facts regarding any actual or potential income, employment, compensation, Related Party Transaction, business opportunity, or financial interest or non-financial interest, or other information or fact, that could impact officer or director's compliance with the Policy:

5. Upon discovering any information or fact regarding any actual or potential income, employment, compensation, Related Party Transaction, business opportunity, or pecuniary benefit, or other information or fact, that could impact my compliance or or another person's compliance with the Policy, I agree to disclose this information or fact to the Chairman of the Governing Board or the Regional Administrator; and
6. Upon not complying with the Policy, I agree to any sanction, disqualification, removal, or other action taken under the Policy.

Printed Name

Signature

Position

Date