



POLICY TITLE: Employed Physicians' Outside Financial Relationships with Industry

Responsible Department: Audit and Compliance

Creation Date: 03/01/2007

Review Date: Wednesday, January 08, 2025

Revision Date: 11/25/2025 12:01:40 PM

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PUBLISHED (Released): Tuesday, November 25, 2025 12:00:00 AM

SUMMARY & PURPOSE:

This Policy establishes standards to disclose and manage potential conflicts of interest for physicians who are employed by Baptist Health who have financial relationships with third parties in the health care industry.

Baptist Health recognizes that physicians who are experts or leaders in their field can make a positive contribution to patient care through maintaining relationships with industry. Examples include physicians serving on advisory boards, providing consulting services to industry or training other physicians in new surgical procedures. An actual, potential or perceived conflict of interest can occur where a Physician's judgment could be impacted because the Physician has a financial interest in connection with a clinical decision or a decision by Baptist Health over which the Physician has control or influence. A financial interest may exist when a Physician or a member of his or her family stands to directly or indirectly obtain financial gain as a result of a decision. This policy is intended to assist Physicians to understand, identify, disclose and appropriately manage transactions that could result in an actual, potential or perceived conflict of interest.

POLICY:

In accordance with Baptist Health's code of Ethics, high ethical standards must be observed in all business activities conducted at, by, with or on behalf of Baptist Health. Clinical decisions must be in the best interest of patients without regard to personal gain or interest. Decisions made by Baptist Health must be in the best organizational interests of Baptist Health without regard to personal gain or interest. The appearance of any improper influence on any decisions should be consciously avoided. A potential or perceived conflict of interest may exist irrespective of the intent of a party.

Definitions:

"Physician" means and includes a practitioner employed by Baptist Health or an affiliate to provide a clinical practice function who is licensed in the United States as an allopathic or osteopathic physician, dentist, oral surgeon, podiatric physician, psychologist or physiotherapist.

"Family member" refers to the spouse, domestic partner, parents, step-parents, father-in-law, mother-in-law, grandparents, step-grandparents, brothers and sisters, step-brothers and step-sisters, children and step-children, grandchildren and step-grandchildren, and great grandchildren and step-great grandchildren of a physician as well as the spouses of children, brothers, sisters, grandchildren and great grandchildren.

All references to Policies must go to the BHSF Master Copy on the BHSF Intranet; do not rely on other versions / copies of the Policy.

Standards for Employed Physicians:

1. Physicians are required to complete and submit to the Audit and Compliance Department an annual Clinical Conflict Disclosure form electronically through Peoplesoft.
2. Physicians and members of their families will not give or receive gifts, other than of nominal value, from or to any person or company doing business with, seeking to do business with, or competing with Baptist Health. A non-cash gift, discount or entertainment of less than \$150 per occurrence, with an annual total value not to exceed \$300, to or from the same source, will be considered nominal.
3. Physicians and members of their families will not offer or accept cash or cash equivalents (e.g. gift certificates, gift checks, gift cards, or other negotiable instruments) in any amount from any person or company doing business with, seeking to do business with or competing with Baptist Health, except as provided herein. Any offer of a cash or cash equivalent gift must be reported immediately to the Audit and Compliance Department.
4. Physicians must disclose any employment, contractual relationship and other financial relationship (including any job or independent contractor relationship including the receipt of honoraria) the Physician or a family member has with any person or entity that the Physician knows or should know does business with, is seeking to do business with or competes with Baptist Health.
5. Physicians must disclose if they or their family members hold a board position, are officers or hold a substantial investment in any business doing business with, seeking to do business with or competing with Baptist Health. For purpose of this policy, a substantial investment is the ownership of one percent (1%) or more of the outstanding stock of any publicly held corporation or any interest in a privately held business, or granting of any options or other rights to purchase stock or other ownership in any business active in the health care industry.
6. Physicians employed by Baptist Health may be subject to restrictions in their employment agreement in accepting other engagements during the term of their employment. Even if outside engagements are not prohibited by a physician's employment agreement, performing work for or having a financial relationship with a competitor of Baptist Health may create a conflict. Subject to employment agreement restrictions, Physicians may serve in approved external consulting arrangements, faculty appointments, or advisory board memberships. These activities can be beneficial to the physician's professional development, Baptist Health and the public. Such activities are generally acceptable, provided that:
 - a. Separately and in the aggregate, the arrangements do not interfere with a physician's employment responsibilities to Baptist Health or its affiliates, which shall remain primary. Even where a particular outside arrangement does not create a conflict of commitment, an overabundance of such external activities may conflict with an employed physician's responsibilities at Baptist Health.
 - b. Each arrangement provides for payment that is consistent with fair market value for the services provided by the Physician, set forth in a writing signed by both parties;
 - c. All such services are provided on the Physician's own time without disrupting or inconveniencing Baptist Health or patients;
 - d. The Physician does not utilize Baptist Health resources in providing such services;

- e. If any arrangement or a combination of arrangements exceeds the Guidelines set forth in Paragraph 15 below, the Conflict of Interest Committee determines that the physician's potential conflicts of interest pose an acceptable level of risk and/or can be appropriately managed given the size of the financial relationship(s), the number of outside engagement(s), restrictions placed on the relationship(s) and other considerations.
7. Physicians may not receive remuneration, directly or indirectly, to speak at a program sponsored by a drug, pharmaceutical or medical device company that is intended to induce prescribing, ordering or promoting the company's products. Presentations prepared by the sponsor or by the drug, pharmaceutical or device company are not permitted. Any use of Baptist Health names, marks or logos, as well as any marketing, communication, or advertising activities, social media postings or product endorsements must be preapproved by the Marketing and Communications Department.
8. At the discretion of Baptist Health management, there may be deemed to exist a conflict where Physician provides expert witness consulting to plaintiffs' counsel. Physicians may not provide expert assistance to a party adverse to Baptist Health or its affiliates.
9. A Physician may not perform medical necessity reviews for commercial managed care companies or its intermediaries.
10. A Physician must ensure that any royalty agreements with device, pharmaceutical or other such companies explicitly exclude any sales to the physician, or Baptist Health facilities where the physician maintains privileges.
11. A Physician with a substantial equity investment (as defined in step 5 above) in a healthcare company doing business with BHSF or its affiliates must seek pre-approval from their supervising physician, and ensure appropriate consents are in place to notify patients (being treated with a product(s) or service(s) of that company) of said interest.
12. Ownership interest in a provider facility that competes with or provides service to Baptist Health is a conflict of interest and not permitted.
13. In no outside engagement may a Physician divulge information proprietary to Baptist Health. All outside engagements are solely at the Physician's risk. In any activity where the Physician is being paid by a third party to perform a service, the Physician will not represent that he or she is doing so as an employee of Baptist Health or utilize Baptist Health titles.
14. **A physician's income from all outside health care industry sources combined, whether for consulting arrangements, advisory board memberships, educational engagements, proctoring or training in medical procedures, or otherwise, should not exceed \$50,000 per year per payor, or, a total of \$150,000 annually from all sources.** Under rare conditions, if pre-authorized, exceptions may be granted by the Conflict of Interest Committee.
15. Physicians are not allowed to participate in purchasing decisions if they receive income from those companies' proposing goods or services to Baptist Health. The physician must recuse themselves from all action or votes regarding the purchase.
16. Conflicts are unique to the role that a physician serves within Baptist Health. Specific circumstances that fall outside of the guidelines above can be brought to the Physician Conflict of Interest Committee for pre-review. On an annual basis, all physician arrangements will be reviewed by the Conflict of Interest Committee, which will make recommendations for appropriate corrective action, if any, to the Executive Vice President and Chief Physician Executive of Baptist Health, who will make a final determination.

All references to Policies must go to the BHSF Master Copy on the BHSF Intranet; do not rely on other versions / copies of the Policy.

SCOPE/APPLICABILITY:

This Policy applies to all Physicians who are employed by Baptist Health or its affiliates in a clinical capacity and other than on an irregular shift basis, e.g. to staff Baptist Health's e-ICU. Physicians serving in a clinical capacity may accept honorariums and reimbursement of travel expenses from outside industry sources (including vendors) as part of their approved external consulting arrangements, faculty appointments or advisory board memberships within the policy guidelines noted above. Administrative Physicians (AVP and higher, or equivalent designation) are held to the more restrictive Employee Conflict of Interest Policy, and are prohibited from accepting honorariums pursuant to the Acceptance of Honorariums Policy or from accepting travel and related expenses pursuant to the Vendor-Sponsored Travel Policy. Potential conflicts in human subject research activities are subject to the policies and procedures of the Baptist Health Research Conflict of Interest Committee and Institutional Review Boards. Financial interests as defined in Baptist Health's Intellectual Property Policy fall outside the scope of this policy.

PROCEDURES TO ENSURE COMPLIANCE:

1. Employed physicians should utilize the Clinical Conflict of Interest form in PeopleSoft on Pineapple Connect, BHSF's intranet.
2. Each Physician has an ongoing duty to submit via Employee Self Service a new, updated Conflict of Interest Disclosure Statement as soon as a new actual, potential or perceived conflict of interest arises.
3. At a minimum, annually, the Audit and Compliance Department will request each Physician complete the Conflict of Interest Form. All conflicts, even if reported in previous years, must be disclosed annually.
4. The VP of Audit & Compliance and Chief Compliance Officer of Baptist Health will appoint a Conflict of Interest Committee that will review Physician disclosures set forth in the Standards above. The Conflict of Interest Committee will make recommendations to the Executive Vice President and Chief Physician Executive of Baptist Health, regarding disclosed potential conflicts including disclosures of royalty or ownership interests with Baptist Health vendors. The Committee may recommend that an outside relationship be discontinued or modified, in order to manage potential conflicts of interest. The Physician may have an opportunity to appeal before the Committee prior to an adverse recommendation. The decisions of the Executive Vice President and Chief Physician Executive on conflicts and potential conflicts following review by the Committee will be final.

SUPPORTING/REFERENCE DOCUMENTATION:

N/A

RELATED POLICIES, PROCEDURES, AND ASSOCIATED FORMS:

- BHSF Administrative Policy: 827 Employee Conflict of Interest – Audit and Compliance
- BHSF Administrative Policy: 828 Vendor-Sponsored Travel and Related Expenses – Audit and Compliance
- BHSF Administrative Policy: 829 Acceptance of Honorariums by Employees – Audit and Compliance
- BHSF Administrative Policy: 10000.66680-01 -- Intellectual Property Policy
- BHSF Administrative Policy: 1300.03 Individual Financial Conflict of Interests in Research

ENFORCEMENT & SANCTIONS:

The Audit and Compliance Department will review all disclosure forms and investigate as appropriate.