

**CONFLICT OF INTEREST CODE
OF THE
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM**

The Political Reform Act of 1974 (Government Code sections 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation, section 18730 of Title 2 of the California Code of Regulations, which contains the terms of a standard conflict-of-interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the Fair Political Practices Commission may amend the standard code to conform to amendments of the Political Reform Act. Therefore, the terms of section 18730 of title 2 of the California Code of Regulations and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendices, designating positions and establishing disclosure categories, shall constitute the Conflict of Interest Code of the Salinas Valley Memorial Healthcare System (hereafter "Agency").

Individuals holding designated positions shall file their statement of economic interests with the Salinas Valley Memorial Healthcare System, which will make the statements available for public inspection and reproduction pursuant to Government Code section 81008. Upon receipt of the statements for Members of the Board of Directors and President / Chief Executive Officer, the Agency shall make and retain copies, and forward the original statements to the Office of the Clerk of the Board of Supervisors of Monterey County. Statements for all other designated positions shall be retained by the Agency.

Attachments: Appendix A: Designated Positions
Appendix B: Disclosure Categories

Adopted as Amended and Restated: August 23, 2012
By Resolution 2012-08

**CONFLICT OF INTEREST CODE OF THE
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM
APPENDIX A: DESIGNATED POSITIONS**

Designated Positions¹

Assigned Disclosure Category

Administrative Dir Nutrition & Environmental Svcs		2		
Administrative Dir Rehabilitation & Woundcare Svcs	1			
Assistant Director Cardiology		2		
Assistant Director Medical Records			3	
Assistant Director of Respiratory Care & Neurodiag			3	
Cardiology Supervisor Clinical			3	
Cardiovascular Diagnostic Center Manager			3	
Chief Biomed Engineer			3	
Chief Financial Officer	1			
Chief Medical Officer	1			
Chief Nursing Officer	1			
Chief of Staff			3	4
Chief Operating Officer	1			
Clinical Assistant Director NICU			3	
Clinical Assistant Director Surgical Suite			3	
Clinical Manager			3	
DI/Mammography Manager			3	
Director Clinical Informatics			3	
Director Community Development & CMN			3	
Director Education and PCS w/Masters			3	
Director Medical Staff Services			3	
Director of Ambulatory Medical Informatics			3	
Director of Physician Relations & Managed Care			3	
Director of Resource Management		2		
Director of Volunteer Services		2		
Director of Women's & Children's Services		2		
Director Pt Financial Svcs/Pt Registration	1			
Director Quality Management Services			4	
Director Revenue Integrity & Compliance			3	
Employee Health Manager			3	
Executive Admin Dir Nutrition & Environmental Svcs			3	
Executive Director Plant Ops/Hosp Constr	1			

¹ Public officials who manage public investments are not covered by the Conflict of Interest Code because they must file a statement of economic interests pursuant to Government Code section 87200. Therefore, those positions are listed below for information purposes only:

Members of the Board of Directors
President / Chief Executive Officer

An individual holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by Government Code Section 87200.

Designated PositionsAssigned Disclosure Category

Foundation Director			3	
Infection Control Preventionist Manager			3	
Lab Manager			3	
Manager Clinical Documentation & Coding			3	
Manager Risk, Patient Safety & Patient Relations			3	
Manager Security and Off-Site Facil & Constr			3	
Nursing Director		2		
Senior Administrative Director Human Resources	1			
Senior Administrative Director Patient Care Srvcs	1			
Sleep Medicine Center Manager			3	
Sr Admin Director Cardiopulmonary Services	1			
Sr Administrative Director Marketing, Government & PR	1			
Sr. Admin. Director Information Technology	1			
Sr. Administrative Director H.I.M./Registration	1			
Sr. Administrative Director Resource Management	1			
Warehouse Manager			3	
Consultants / New Positions ²				

² Consultants are included in the list of designated positions. For purposes of this Code, "consultant" has the same meaning as set forth in 2 Cal. Code Regs., tit. 2, section 18701(a)(2), as it may be amended from time to time, but which reads as follows as of adoption of this restated and amended Conflict-of-Interest Code:

"Consultant" means an individual who, pursuant to a contract with a state or local government agency:

(A) Makes a governmental decision whether to:

1. Approve a rate, rule, or regulation;
2. Adopt or enforce a law;
3. Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement;
4. Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract which requires agency approval;
5. Grant agency approval to a contract which requires agency approval and in which the agency is a party or to the specifications for such a contract;
6. Grant agency approval to a plan, design, report, study, or similar item;
7. Adopt, or grant agency approval of, policies, standards, or guidelines for the agency, or for any subdivision thereof; or

(B) Serves in a staff capacity with the agency and in that capacity participates in making a governmental decision or performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's Conflict of Interest Code.

Consultants to, and new positions of, the Salinas Valley Memorial Healthcare System shall be subject to disclosure under Category 1, subject to the following limitation:

The President / Chief Executive Officer may determine in writing that a particular consultant or new position, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to comply with the disclosure requirements of Category 1. In such cases, the President / Chief Executive Officer may designate a different disclosure requirement. Such determination must be made in writing and shall include a description of the consultant's or new position's duties and, based upon that description, a statement of the extent of the consultant's or new position's disclosure requirements. Such determination by the President / Chief Executive Officer is a public record and shall be retained for public inspection in the same manner and location as the Agency's Conflict of Interest Code.

**CONFLICT OF INTEREST CODE OF THE
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM
APPENDIX B: DISCLOSURE CATEGORIES**

General Provisions Applicable to All Categories

When an individual who holds a designated position is required to disclose investments and sources of income, he or she shall disclose investments in business entities and sources of income which do business in the jurisdiction, plan to do business in the jurisdiction, or have done business in the jurisdiction within the past two years. In addition to other activities, a business entity is doing business within the jurisdiction if it owns real property within the jurisdiction.

When an individual who holds a designated position is required to disclose sources of income, he or she shall include gifts received from donors located inside as well as outside the jurisdiction.

When an individual who holds a designated position is required to disclose interests in real property, he or she shall disclose real property if it is located within the jurisdiction, or not more than two miles outside the boundaries of the jurisdiction, or within two miles of any land owned or used by Agency.

When an individual who holds a designated position is required to disclose business positions, he or she shall disclose positions in business entities that do business in the jurisdiction, plan to do business in the jurisdiction, or have done business in the jurisdiction within the past two years.

For purposes of this Conflict of Interest Code, the jurisdiction of the Salinas Valley Memorial Healthcare System is Monterey County.

Category 1

A designated position in this category must report all investments, business positions, interests in real property, and sources of income, including gifts, loans, and travel payments.

Category 2

A designated position in this category must report all investments, business positions, and sources of income, including gifts, loans, and travel payments.

Category 3

A designated position in this category must report all investments, business positions and income, including gifts, loans, and travel payments, from sources which are of the type to supply materials, products, supplies, commodities, services, machinery, vehicles, or equipment utilized by the Agency.

Category 4

A designated position in this category must report all investments, business positions and income, including gifts, loans, and travel payments, from sources which are of the type to receive grants or other monies from or through the Agency.

CONFLICT OF INTEREST CODE

SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM

**Adopted as Amended and Restated on December 20, 2010
by Resolution No. 2010-11**

**CONFLICT OF INTEREST CODE
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM**

A. PURPOSE

This is the Conflict of Interest Code of Salinas Valley Memorial Healthcare System (hereinafter "SVMHS"). The purposes of this Code are to provide for the disclosure of assets, income, and business positions of designated SVMHS employees which may be materially affected by their official actions and to provide for the disqualification of designated employees from participation in SVMHS decisions in which they may have a financial interest.

B. BACKGROUND

The Political Reform Act of 1974, Government Code Sections 81000 et seq., requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The California Fair Political Practices Commission has, pursuant to its authority under Section 83112 of the Government Code, adopted a regulation which contains the terms of a standard Conflict of Interest Code. This regulation is codified at Title 2 California Code of Regulations Section 18730. This regulation may be incorporated by reference by local agencies into their Conflict of Interest Code, and the Code, together with the designation of employees and disclosure categories, meets the requirements of the Political Reform Act.

C. ADOPTION OF CONFLICT OF INTEREST CODE

1. This Conflict of Interest Code of Salinas Valley Memorial Healthcare System consists of: (a) the terms of Title 2 California Code of Regulations Section 18730, which are hereby incorporated by reference; and (b) the attached Appendix in which officials and employees are designated and disclosure categories are set forth.

2. Pursuant to Section 18730(b)(4) of the Code of Regulations: (a) the members of the Board of Directors of SVMHS, and those individuals described in the Appendix as individuals who manage public investments, shall file statements of economic interests with SVMHS, which shall make and retain a copy and forward the originals to the Monterey County Board of Supervisors, which shall be the filing officer; and (b) all other designated employees shall file statements of economic interests with SVMHS, which shall retain the original statements.

3. As provided in Government Code Section 82011, the code reviewing body is the Monterey County Board of Supervisors. Pursuant to Title 2 California Code of Regulations Section 18227, the Clerk of the Board shall be the official responsible for receiving and retaining statements of economic interests filed with the Board of Supervisors.

4. Subsequent amendments to Title 2 California Code of Regulations Section 18730 duly adopted by the Fair Political Practice Commission, after public notice and hearings, are also incorporated by reference unless the Board of Directors of SVMHS, within 90 days after the date on which an amendment to Section 18730 becomes effective, adopts a resolution providing that the amendment is not to be incorporated into this Code.

APPENDIX

DESIGNATED EMPLOYEES

<u>Designated Positions*</u>	<u>Disclosure Category</u> (see last page for requirements associated with each disclosure category assignment)
Legal Counsel	1, 2, 3, 4
Vice President/Operations	1, 2, 3, 4
Vice President/Finance & Information Technology	1, 2, 3, 4
Vice President/Chief Medical Officer	1, 2, 3, 4
Vice President/Patient Care & Cardiovascular Services	1, 2, 3, 4
Vice President/Physician Integration & Business Development	1, 2, 3, 4
Vice President/Strategic Management & Planning	1, 2, 3, 4
Controller/Treasurer	1, 2, 3, 4
Director of Marketing	1, 2, 3, 4
Assistant Controller	1, 2, 3, 4
Executive Administrative Director/Resource Management	1, 2, 3, 4
Director of Resource Management	1, 2, 3, 4
Senior Buyer	1, 2, 3, 4
Resource Management Support Specialist Buyer	1, 2, 3, 4
Warehouse Manager	1, 2, 3, 4
Hospital Architect	1, 2, 3, 4
Consultants**	1, 2, 3, 4
Manager of Off-Site Facilities/Construction	1, 3, 4
Assistant Chief Engineer	1, 3, 4
Chief Engineer Plant Operations	1, 3, 4
Chief Biomed Engineer	1, 3, 4
Department Secretary for Biomedical Services	1, 3, 4

Lead Stationary Engineer	1, 3, 4
Assistant Director of Safety and Security	1, 3, 4
Senior Administrative Director of Information Technology	1, 3, 4
Assistant Director of Pharmacy Clinical Program	1, 3, 4
Cardiovascular Diagnostics Center Manager	1, 3, 4
Assistant Director of Respiratory Care	1, 3, 4
Nursing Director	1, 3, 4
Nursing Assistant Director	1, 3, 4
Clinical Assistant Director Surgical Suite	1, 3, 4
Senior Administrative Director of Cardiopulmonary Services	1, 3, 4
Ethics & Compliance Officer	1, 3, 4
Assistant Director Audio Visual and Events	1,3,4
Director of Ambulatory Medical Informatics	1,3,4
Rehab Supervisor	1,3,4
Director of Accreditation and Regulatory Compliance	1,3,4
Senior Administrative Director of Quality & Risk Management	1,3,4

*It has been determined that the positions listed below manage public investments and will file a statement of economic interests pursuant to Government Code Section 87200:

Members of the Board of Directors

President/Chief Executive Officer

** Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

The President/Chief Executive Officer may determine in writing that a particular consultant, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this Section. Such written determination shall include a description of the consultant’s duties and, based upon that description, a statement of the extent of disclosure requirements. Such determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code.

Nothing herein excuses any consultant from any other provisions of this Conflict of Interest Code, specifically those dealing with disqualification.

DISCLOSURE CATEGORIES

Category 1. A designated employee assigned to Category 1 is required to disclose investments that may be materially affected by any decision made or participated in by the designated employee. The employee should complete the appropriate schedules of Form 700 for investments.

Category 2. A designated employee assigned to Category 2 is required to disclose interests in real property that may be materially affected by any decision made or participated in by the designated employee. The employee should complete the appropriate schedule of Form 700 for interests in real property.

Category 3. A designated employee assigned to Category 3 is required to disclose income that may be materially affected by any decision made or participated in by the designated employee. The employee should complete the appropriate schedules of Form 700 for income.

Category 4. A designated employee assigned to Category 4 is required to disclose any business entity in which the designated employee is a director, officer, partner, trustee, employee or holds any position of management that may be materially affected by any decision made or participated in by the designated employee. The employee should complete the appropriate schedules of Form 700 for business positions.

Attachment 2

Health and Safety Code Sections 32110 and 32111

32110. (a) Except as provided in subdivision (d), no person who is a director, policymaking management employee, or medical staff officer of a hospital owned or operated by a district shall do either of the following:

(1) Possess any ownership interest in any other hospital serving the same area as that served by the district hospital of which the person is a director, policymaking management employee, or medical staff officer.

(2) Be a director, policymaking management employee, or medical staff officer of any hospital serving the same area as the area served by the district hospital.

(b) For purposes of this section, a hospital shall be considered to serve the same area as a district hospital when more than 5 percent of the hospital's patient admissions are residents of the district.

(c) For purposes of this section, the possession of an ownership interest, including stocks, bonds, or other securities by the spouse or minor children or any person shall be deemed to be the possession or interest of the person.

(d) No person shall serve concurrently as a director or policymaking management employee of a district and as a director or policymaking management employee of any other hospital serving the same area as the district, unless the boards of directors of the district and the hospital have determined that the situation will further joint planning, efficient delivery of health care services, and the best interest of the areas served by their respective hospitals, or unless the district and the hospital are affiliated under common ownership, lease, or any combination thereof.

(e) Any candidate who elects to run for the office of member of the board of directors of a district, and who owns stock in, or who works for any health care facility that does not serve the same area served by the district in which the office is sought, shall disclose on the ballot his or her occupation and place of employment.

32111. (a) A member of a health care district's medical or allied health professional staff who is an officer of the district shall not be deemed to be "financially interested," for purposes of Section 1090 of the Government Code, in any of the contracts set forth in subdivision (b) made by any district body or board of which the officer is a member if all of the following conditions are satisfied:

(1) The officer abstains from any participation in the making of the contract.

(2) The officer's relationship to the contract is disclosed to the body or board and noted in its official records.

(3) If the requirements of paragraphs (1) and (2) are satisfied, the body or board does both of the following, without any participation by the officer:

(A) Finds that the contract is fair to the district and in its best interest.

(B) Authorizes the contract in good faith.

(b) Subdivision (a) shall apply to the following contracts:

(1) A contract between the district and the officer for the officer to provide professional services to the district's patients, employees, or medical staff members and their respective dependents, provided that similar contracts exist with other staff members and the amounts payable under the contract are no greater than the amounts payable under similar contracts covering the same or similar services.

(2) A contract to provide services to covered persons between the district and any insurance company, health care service plan, employer, or other entity that provides health care coverage, and that also has a contract with the officer to provide professional services to its covered persons.

(3) A contract in which the district and the officer are both parties if other members of the district's medical or allied health professional staff are also parties, directly or through their professional corporations or other practice entities, provided the officer is offered terms no more favorable than those offered any other party who is a member of the district's medical or allied health professional staff.

(c) This section does not permit an otherwise prohibited individual to be a member of the board of directors of a district, including, but not limited to, individuals described in Section 32110 of this code or in Section 53227 of the Government Code. Nothing in this section shall authorize a contract that would otherwise be prohibited by Section 2400 of the Business and Professions Code.

(d) For purposes of this section, a contract entered into by a professional corporation or other practice entity in which the officer has an interest shall be deemed the same as a contract entered into by the officer directly.