

CONFLICT OF INTEREST POLICY

Purpose

Directors, officers, committee members, employees and agents of the Wisconsin Statewide Health Information Network, Inc. ("WISHIN") have a duty of loyalty to the organization and shall exercise good faith and best efforts in the performance of their duties to WISHIN. All directors, officers, committee members, employees and agents shall rigorously adhere to appropriate standards of personal and business conduct so as to avoid any impropriety or even any appearance of impropriety. Directors, officers, committee members, employees and agents must avoid any act of self-dealing or exploitation of their position for personal gain.

This Conflict of Interest Policy is designed to protect WISHIN's interests when a transaction or arrangement is being considered that might benefit the private interest of a director, officer, committee member, employee or agent of WISHIN. This Policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations.

Definitions

Interested Persons: is any WISHIN director, officer, member of a committee established by WISHIN bylaws or the Board of Directors (a "**Committee Member**"), employee (including any person who is an employee of another organization and who is leased by WISHIN), or agent who may have a conflict of interest as a result of a Financial Interest or Other Personal Business Interest.

Financial Interest: is any of the following that a person has directly or indirectly through business, investment or Family:

- A. an ownership or investment in any entity with which WISHIN is considering or has a transaction or arrangement; or
- B. a Compensation arrangement with WISHIN or with any entity or individual with which WISHIN is considering or has a transaction or arrangement; or
- C. a potential ownership or investment interest in, or potential Compensation arrangement with, any entity or individual with which WISHIN is considering or has a transaction or arrangement.

Family: is an Interested Person's parents, brothers, sisters, spouse or domestic partner, and children.

Compensation includes direct and indirect remuneration as well as gifts and/or favors that exceed (individually or in the aggregate in any calendar year) fifty dollars (\$25.00) in value or are otherwise substantial in nature.

Other Personal Business Interests: Conflicts of interest may arise from activities other than Financial Interests, including:

- A. Membership on boards of directors of other community, charitable and/or business organizations which may have existing or potential business relationships with WISHIN.
- B. Acceptance of employment with, or rendering of service to, another organization by a director, officer or committee member where such employment or service is incompatible with the proper discharge of duties to WISHIN or would tend to impair independence of judgment or action in the performance of duties to WISHIN.

Policy

No Interested Person shall participate in the award or administration of any contract or arrangement for which the Interested Person has a conflict of interest by virtue of a Financial Interest or Other Personal Business Interest. A Financial Interest or Other Personal Business Interest does not necessarily constitute a conflict of interest

Procedures

Duty to disclose:

Whenever any matter comes before the corporation, the Board of Directors or committee for approval or administration and which presents or may present a conflict of interest, the Interested Person must disclose the existence and nature of his or her Financial Interest or Other Personal Business Interest to the WISHIN CEO (in the case of an agent or employee, other than the CEO), to the Chairperson of the Board (in the case of the CEO or other officer), to the other directors (in the case of Board members) or to the other Committee Members (in the case of a Committee Member).

Determining Whether a Conflict of Interest Exists:

- A. After disclosure of the Financial Interest or Other Personal Business Interest, the Interested Person shall be given the opportunity to disclose all material facts to the CEO, Chairperson, board or committee considering the possible conflict of interest.
- B. After answering any questions that may be asked, the Interested Person shall, as applicable, leave the Board or committee meeting while the remaining Board or committee members decide if a conflict of interest exists that is incompatible with the proper discharge of the Interested Person's duties to WISHIN or would tend to impair his/her independence of judgment or action in the performance of duties to WISHIN.
- C. Having a Financial Interest or Other Personal Business Interest is not necessarily a conflict of interest, unless the CEO, Chairperson, Board of Directors or committee, as applicable, determines that an actual conflict of interest exists.
- D. Directors or Committee Members present at a meeting who disclose a possible conflict of interest on a matter before the Board or committee will be counted for the purpose of determining a quorum.

Procedures for Addressing the Conflict of Interest:

- A. If a director or Committee Member is determined to have a conflict of interest, the director or Committee Member may present information to the Board regarding the transaction or arrangement, but he or she must leave the meeting during the discussion and vote on the arrangement or transaction that result in the conflict of interest.
- B. The CEO, Chairperson of the Board, Board or committee, as applicable, shall appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement or other protective actions, if appropriate.
- C. After exercising due diligence, the CEO, Board or committee shall determine whether WISHIN can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest or whether other actions can be taken to appropriately protect WISHIN's interests.
- D. If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest or that other actions to appropriately protect WISHIN's interests are not feasible, the CEO, or the board or committee by a majority vote of the disinterested directors or Committee Members, as applicable shall determine whether the transaction or arrangement is in WISHIN's best interest and for its own benefit and whether the transaction is fair and reasonable to WISHIN and shall make its decision (or, in the case of a committee without decision-making authority, make its recommendation) as to whether to enter into the transaction or arrangement in conformity with such determination. The Board shall be informed of all such decisions.

Violation of the Conflicts of Interest - Board and Committee Members:

1. If the Board of Directors or a committee has reasonable cause to believe that a member has failed to disclose an actual or possible conflict of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
2. If, after hearing the response from the member and making such further investigation as may be warranted in the circumstances, the Board or committee determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take (or, in the case of a committee, recommend) appropriate disciplinary and corrective action which may include removal of the member.

Violations of the Conflicts of Interest Policy – Officers, Employees and Agents:

1. If the CEO or the Chairperson has reasonable cause to believe that an officer, employee or agent has failed to disclose an actual or possible conflict of interest, the CEO or Chairperson shall inform the officer, employee or agent of the basis for the belief and afford the officer, employee or agent an opportunity to explain the alleged failure to disclose.
2. If after hearing the response of the officer, employee or agent and making such further investigation as may be warranted in the circumstances, the CEO or Chairperson

determines that the officer, employee or agent has in fact failed to disclose an actual or possible conflict of interest, the Board of Directors shall be so informed and appropriate disciplinary and corrective action shall be taken which may include removal, suspension or termination.

Records of Board or Committee Proceedings:

The minutes of the Board of Directors and all committees of the Board shall contain:

- A. the names of the persons who disclosed or otherwise were found to have a Financial Interest or Other Personal Business Interest in connection with an actual or possible conflict of interest, the nature of the Financial Interest or Other Personal Business Interest, any action taken to determine whether a conflict of interest was present, and the CEO's, Chairperson's, Board's or committee's decision as to whether a conflict or interest in fact existed;
- B. the names of persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

Annual Statements:

Each director, officer, Committee Member, employee and agent shall annually sign a statement in the form attached hereto which affirms that such person:

- A. has received a copy of this Conflicts of Interest Policy;
- B. has read and understands the Policy;
- C. has agreed to comply with the Policy;
- D. has disclosed any potential conflicts of interest which may exist at the time the statement is signed or which may arise in the foreseeable future. Such statements shall be submitted to the Secretary of the Board of Directors. Any changes in such statement shall be reported promptly to the Board Secretary. The Secretary shall transmit each such statement promptly to the Chairman of the Board of Directors for review.

Validity of Contracts

No contract or other transaction between WISHIN and any other person, corporation, firm, business or organization shall necessarily be affected by the fact that a director, officer, Committee Member, employee or agent has an interest in, or are officers, directors or employees of such other person, corporation, firm, business or organization so long as the requirements of this Policy are met.

Any violation of the requirements of this Policy shall not affect the validity of any such contract or transaction so long as the contract or transaction is just and reasonable to WISHIN at the time it is made or occurred, and does not otherwise violate federal or state law.

CONFLICT OF INTEREST DISCLOSURE FORM

The purpose of this form is to identify any existing or potential conflict of interest on the part of any director, officer, Committee Member, employee or agent of the Wisconsin Statewide Health Information Network, Inc. ("**WISHIN**").

In this Form, capitalized terms not otherwise defined have the meanings give to them in the WISHIN Conflict of Interest Policy:

- "**Family**" means your parents, brothers, sisters, spouse or domestic partner, and children; and
- "**Conflict of Interest**" means a "**Financial Interest**" or any "**Other Personal Business Interest**" as those terms are defined in the WISHIN Conflict of Interest Policy.

1. Are you, or is any member of your Family: an owner, manager, director, officer, partner, employee, participant, or advisor of or to any of the following:

Yes

No

___ ___ Any business that sells goods or provides services to WISHIN?

___ ___ Any business that purchases goods or receives services from WISHIN?

If your answer to any of the above questions is "Yes", please explain:

2. If you have any Conflict of Interest or potential Conflict of Interest that may now exist or may arise in the foreseeable future and has not been identified above, please explain:

I certify that I have read, understand and agree to comply with the WISHIN Conflict of Interest Policy. I further certify that the above information is correct and complete to the best of my knowledge and that I will promptly notify the Secretary of the Board of Directors of WISHIN in writing of any change to the above information.

Date: _____

Signature

Print Name