



COI 101: Conflict of Interest Basics

Marissa Whitehouse
New Director Training

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Session Agenda

- Why Conflicts of Interest (COI) Matter
- Exploring OHIC Grantee Conflicts
- What Can We Do to Manage Conflict and Risk
- Activity
- Questions

COI Definitions

1. A conflict between the private interests and the official responsibilities of a person in a position of trust
2. A situation in which a person is in a position to derive personal benefit from actions or decisions made in their official capacity.
3. A conflict between competing duties.

<https://www.merriam-webster.com/dictionary/conflict%20of%20interest>

Why COI Matters:

- Complexity of our work
- High level of trust necessary to do this work
- Limited grant funding available

The Importance of Business Acumen Initiatives

- What is Business Acumen?
 - Definition: Keenness and quickness in dealing with and understanding a business situation in a manner that is likely to lead to a good outcome.
- AAAs and other community-based partners are financially motivated to find new sources of revenue
- These new Medicare policies provide greater opportunities for network agencies to partner with MA plans

Exploring OHIC Grantee Conflicts

- All OHIC grant programs (SHIP, SMP, and MIPPA) are tasked to provide **unbiased assistance** to Medicare beneficiaries, their families, and caregivers.
- SHIP Statute states:

Grantees must “provide assurances that staff members (including volunteer staff members) of the health insurance information, counseling, and assistance program have no conflict of interest in providing the counseling”

https://www.ssa.gov/OP_Home/comp2/F101-508.html

VRPM Policy 3.35 Conflict of Interest (Required)

Policy: No person who has a conflict of interest in connection with the work they will do at the SMP/SHIP, whether personal, philosophical, or financial may serve as a volunteer. Volunteers do not promote any personal or business interest while undertaking their SMP/SHIP assignment...

Rationale: Given the sensitive nature of SMP/SHIP work, the need for objectivity, and the ever-present possibility of fraud and abuse, even inside the SMP/SHIP, the screening of volunteers must be done carefully to avoid a conflict of interest or a perceived conflict of interest.

What This Means...

- A conflict of interest is an interest that prevents, or could prevent, a person from performing some task objectively.
- SMP/SHIP volunteers must be neutral, objective, unbiased.
- Conflicts can be actual or simply the appearance of conflict.
- A conflict might exist for the volunteer, a family member, or a business interest connected to a potential volunteer.
- Most conflict questions show up during the application process, but they can occur at any time if the volunteer changes their situation.

Things to Remember...

- OHIC's intention in preparing guidance is not to be prescriptive, but instead to provide identification and remedy or removal strategies.
- Guidance documents are not intended to discourage grantees or CBOs from forming new partnerships or contracts.
- Responsibility for managing conflict of interest risk falls on the SHIP/SMP/MIPPA grantee, not upon ACL.
- COI guidance impacts not only the direct SHIP/SMP/MIPPA grantees, but also each entity receiving sub-awarded or pass through funding.

Things to Remember...

Whether potential conflicts of interest are **actual** or **perceived**, it is essential that grantees pursue solutions that preserve the integrity and unbiased nature of the SHIP/SMP/MIPPA programs. Even the appearance of a COI should be avoided.

Timeline of OHIC COI Events

- **COI efforts announced:** *Jul 2019*
- **Initial COI Workgroup:** *Sep 2019-Apr 2020*
- **COI: Identification, Remedy, and Removal Resource Posted:** *Jul 2020*
 - *Link:* <https://acl.gov/programs/senior-medicare-patrol/managing-conflicts-interest-ship-smp-and-mippa-program>
- **COI Technical Assistance Workgroup:** *Feb-Dec 2021*
- **Material Updates:** *As need is identified*

Conflict of Interest Identification, Remedy, & Removal

* Indicates additional information included in 'Terminology' section of resource.

	Conflict of Interest	Conflict Type			Conflict Entity		Example	Steps Toward Identification/ Best Practices to Avoid This Type of COI	Examples of Remedy or Removal Implementation of one or more remedy tactic(s) below will lessen but may not eliminate conflict or risk. Consult with ACL Project Office to ensure adequate mitigation steps are under way.
		Loyalty	Commitment	Control	Indiv./ Group	Org./ Agency			
1	Licensed insurance agent/broker acting as SHIP*/SMP*/MIPPA* Team Member*.	X	X	X	X		<p>Mary (SHIP Team Member) maintains her licensure as a Generic Insurance Company agent for her side job that she works on nights and weekends. She never uses SHIP hours to do Generic Insurance Company work and vice versa.</p>	<ul style="list-style-type: none"> Is individual an active SHIP/SMP Team Member? Is individual a licensed insurance agent/broker? Is individual actively working in the relevant insurance industry? If not, how long ago did individual discontinue this work? <p>Best Practice (BP): SHIP/SMP/MIPPA screens for insurance agent licensure prior to accepting new Team Members. BP: SHIP/SMP/MIPPA rescreens at regular intervals in accordance with their VRPM policies and procedures.</p>	<p>No individual may be a licensed insurance agent and a SHIP/SMP/MIPPA Team Member at the same time. This is a violation of the SHIP Statute (see Addendum C).</p> <p>At least one of the following tactics must be implemented in order to remove the conflict and proof of all actions must be documented:</p> <ol style="list-style-type: none"> 1. Removal of insurance license before SHIP/SMP/MIPPA Team Member acceptance. 2. Removal or prohibition of Team Member status as the SHIP/SMP/MIPPA cannot ensure the Team Member will be able to perform their program duties in an unbiased manner.
2	SHIP/SMP/MIPPA Team Member is a former/retired insurance agent/broker.	X			X		<p>Janet just applied to become a new SHIP Team Member and she recently retired from a career as an insurance agent.</p>	<ul style="list-style-type: none"> Is individual an active SHIP/SMP/MIPPA Team Member? How long ago did individual discontinue work as insurance agent/broker? Can individual confidently confirm that they are able to remain unbiased in their SHIP/SMP/MIPPA duties? Could there be unknown biases? <p>BP: SHIP/SMP/MIPPA provides new Team Members mentoring and shadowing and all Team Members regular periodic monitoring to monitor for bias and training needs.</p>	<p>At least one of the following tactics must be implemented in order to remove the conflict and proof of all actions must be documented:</p> <ol style="list-style-type: none"> 1. Removal of Team Member as the SHIP/SMP/MIPPA cannot ensure the Team Member will be able to perform their program duties in an unbiased manner. 2. Focused training of Team Member to ensure adherence to expectations/ requirements related to bias.

The contents of this document do not have the force and effect of law and are not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.

COI Example: Insurance Agents

Example:

Mary (SHIP Team Member) maintains her licensure as a Generic Insurance Company agent for her side job that she works on nights and weekends. She never uses SHIP hours to do Generic Insurance Company work and vice versa.

COI:

Licensed insurance agent/broker acting as SHIP/SMP/MIPPA Team Member.

Steps Toward Identification:

- Is individual an active SHIP/SMP Team Member?
- Is individual a licensed insurance agent/broker? Is individual actively working in the relevant insurance industry? If not, how long ago did individual discontinue this work?

COI Example: Insurance Agents

Best Practices:

- SHIP/SMP/MIPPA screens for insurance agent licensure prior to accepting new Team Members.
- SHIP/SMP/MIPPA rescreens at regular intervals in accordance with their VRPM policies and procedures.

Examples of Remedy or Removal:

Implementation of one or more remedy tactic(s) below will lessen but may not eliminate conflict or risk. Consult with ACL Project Office to ensure adequate mitigation steps are under way.

No individual may be a licensed insurance agent and a SHIP/SMP/MIPPA Team Member at the same time. This is a violation of the SHIP Statute (see Addendum C).

At least one of the following tactics must be implemented in order to remove the conflict and proof of all actions must be documented:

1. Removal of insurance license before SHIP/SMP/MIPPA Team Member acceptance.
2. Removal or prohibition of Team Member status as the SHIP/SMP/MIPPA cannot ensure the Team Member will be able to perform their program duties in an unbiased manner.

Additional COI Types Requiring Consideration

SHIP/SMP/MIPPA Team Member is a former/retired insurance agent/ broker.

Insurance agent serving as primary trainer for SHIP/SMP/MIPPA Team Members.

SHIP/SMP/MIPPA Team Member has immediate family member with financial connection to plan/health system/provider group.

SHIP/SMP/MIPPA Team Members training agents/brokers/plan representatives

SHIP/SMP/MIPPA event includes plan as exhibitor.

SHIP/SMP/MIPPA participates in a plan organized and sponsored event.

SHIP/SMP/MIPPA material/advertisement/ media/event cobranded with plan.

SHIP/SMP/MIPPA Team Member receiving compensation or other benefits from plan (outside of their role within the program/agency) or showing favoritism.

CBO has contract with health system or provider group.

CBO houses SHIP/SMP/MIPPA program and has contract with insurance plan ("shared front door")

CBO combining staffing for SHIP/SMP/MIPPA and business acumen activities

SHIP/SMP/MIPPA material/advertisement/ media/event sponsored by plan.

*Not a complete list

Poll Question #1

You are a SHIP Director. You suspect that one of your SHIP team members is receiving \$20 per enrollment in ABC Plan. Which remedy strategy is not appropriate?

- a) Retrain team member appropriately
- b) Remove team member from role
- c) Nothing, this is an organizational sustainability strategy
- d) Screen team members regularly to ensure they aren't receiving personal benefit

Poll Question #2

True or False - All COI guidance impacts not only the direct SHIP/SMP/MIPPA grantee, but also each entity receiving sub-awarded or pass through funding.

- a) True
- b) False
- c) Depends on how contracts are written

Poll Question #3

Can SHIP/SMP/MIPPA materials, advertisements, media, or events be sponsored by a plan?

- a) Yes, that's how we fund new projects
- b) Only if they provide 100% funding for the project
- c) Not allowed

What Next?

- Review [COI: Identification, Remedy, and Removal Materials](#)
- Critically consider how COI could show up in your work.
- Seek out support/TA to mitigate risk
- Look for updates in guidance

Need Technical Assistance?

ACL:

OHIC@acl.hhs.gov

SHIP TA Center/SMP Resource Center:

OHICResourceCenters@nei3a.org

*Include your ACL Project Officer when corresponding

Questions?