

**CONFLICT OF INTEREST CODE  
FOR THE  
MARIN HEALTHCARE DISTRICT**

**(Incorporating by Reference 2 Cal. Code of Regs. 18730, "FPPC Model Code")**

Adopted: December 29, 1976  
Revised: May 30, 1989  
Revised: August 25, 1992  
Reviewed: October, 2000  
Revised: October, 2004  
Revised: October, 2012  
Revised: September, 2014

**Section A. PURPOSE AND APPLICATION:**

1. **Introduction:** The Marin Healthcare District (the "District") is a subdivision of the State of California. As a governmental agency, the District and members of its Board of Directors (the "Board"), its officers and employees are subject to California laws regulating conflicts of interest and requiring certain financial disclosures. The Political Reform Act of 1974 (California Government Code §81000, et. seq.) (the "PRA") requires, among other things, each state and local government agency to adopt and promulgate its own conflict of interest code (§87300). Section 18730 of the California Code of Regulations, "Regulations of the Fair Political Practices Commission," provides that incorporation by reference of the terms of that regulation constitutes the adoption and promulgation of a conflict of interest code as required by the PRA. The District has therefore adopted by reference Section 18730 as its own Conflict of Interest Code, including as that regulation may be hereinafter be amended or modified by the FPPC.

2. **Purpose:** It is the purpose of this Conflict of Interest Code (the "Code") to provide for the disclosure of Investments, Business Positions, Interests in Real Property and Income of Designated Officials and Employees that may be materially affected by their official actions, and, in appropriate circumstances, to provide that Designated Officials and Employees should be disqualified from acting in order that conflicts of interest may be avoided.

**Section B. CONFLICT OF INTERESTS LAWS:**

This Code shall be in addition to, and shall not be construed to supercede or limit in any way, the application of (i) any policies and procedures adopted by the District pertaining to conflicts of interest that are not otherwise codified herein or (ii) other laws and regulations pertaining to conflicts of interest of public officials, including but not limited to Government Code Sections 1090 (financial interest in contracts), 87100 (financial interest in governmental decisions) and 1126 (employment-based conflicts of interest), and Health and Safety Code Section 32110 (service to a competing hospital), each of which is hereby incorporated by reference into the Code.<sup>1</sup> Following is a summary of the prohibitions of those statutes:

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<sup>1</sup> In determining whether there is a conflict of interest in violation of any of the foregoing statutes, reference should be made to each of their related provisions, limitations and exceptions, if any, which also are hereby incorporated into the Code by this reference.

1. Government Code Section 1090 prohibits any member of the Board, officer or employee of the District from participating in the making of any District contract in which he/she has a financial interest. This prohibition against participation in the making of a contract includes but is not limited to discussing or voting upon the contract, or influencing or attempting to influence another member of the Board as to his/her vote on the contract. [NOTE: A violation of Section 1090 carries with it the risk that the District contract in question will be declared void under Government Code Section 1092.)

2. Government Code Section 87100 prohibits any member of the Board, officer or employee of the District from making, participating in making or in any way attempting to use his official position to influence a District decision in which he/she knows or has reason to know he/she has a financial interest. This prohibition against participation in District decision making includes but is not limited to discussing or voting upon the matter, or influencing or attempting to influence another member of the Board as to the District's decision or vote on the matter.

3. Government Code Section 1126 prohibits any member of the Board, officer or employee of the District from engaging in any employment, activity, or enterprise for compensation that is inconsistent, incompatible or in conflict with, or in inimical to his/her duties for the District.

4. Health and Safety Code Section 32110 prohibits any member of the Board, officer or employee of the District from serving as a director, policy making management employee or medical staff officer of any hospital serving the same area as the area served by the hospital owned by the District, nor may he/she possess any ownership interest in any such hospital. For the purposes of this Code, a hospital shall be considered to serve the same area as the District when more than five percent (5%) of the other hospital's inpatient admissions are residents of the District.

#### Section C. DISCLOSURE STATEMENTS:

1. Designated Officials and Employees: The persons holding positions listed in the Appendix are Designated Officials and Employees. As described in the Appendix, each Designated Official and Employee shall file annual statements disclosing his/her Business Positions, Health Care Facility Relationships, Interests in Real Property Within the Jurisdiction, Investments in Business Entities, Income, or sources of Income as well as those Interests in Real Property, Business Positions, Investments and Income and sources income of his/her Immediate Family members, which might foreseeably be affected materially by the operations of the District in a manner different from the public generally or a significant segment thereof.

2. Time of Filing Statements: As provided in Section 18730, California Code of Regulations.

3. Forms: Forms will be supplied by the District.

4. Place of Filing: Designated employees, except members of the Board of Directors, shall file their Statements of Economic Interests (Form 700) with the District administration, who will make the statements available for public inspection and reproduction (Gov. Code Section 81800). Statements of designated employees will be retained by the District. Members of the elected Board will file their original statements with the Marin County Elections Department and will provide copies to be retained by the District.”

## APPENDIX

### DESIGNATED EMPLOYEES

The following is a list of the positions which the Board of Directors of Marin Healthcare District has determined will entail the making or participation in the making of decisions which may foreseeably have a material effect on any financial interest:

1. Members of the Board of Directors of Marin Healthcare District, elected or appointed;
2. District Chief Executive Officer, District Chief Financial Officer, and District Chief Administrative Officer;
3. General Counsel for Marin Healthcare District.

The Board of Directors of Marin Healthcare District has determined that the disclosure requirements of this Code shall be equally applicable to each of the above-listed "designated employees", i.e., each of said designated employees will be subject to all disclosure requirements of this Code.

Consultants to the District may also be subject to the disclosure requirements of this Code, as determined on a case-by-case basis by the District Board. This decision shall be based upon the determination of whether the Consultant participates in the making of decisions on behalf of the District.

### DISCLOSURE

#### TYPES OF INVESTMENTS, BUSINESS POSITIONS, INTEREST IN REAL PROPERTY AND SOURCES OF INCOME THAT ARE REPORTABLE

**General Rule:** An investment, business position, interest in real property, or source of income, including gifts, is reportable if the business entity in which the investment or business position is held, the interest in real property, or the income or source of income, may foreseeably be affected materially by any decision made or participated in by the designated employee by virtue of his or her official position. Financial interests are reportable only if located within the Healthcare District or if the business entity is doing business or planning to do business within the District (and such plans are known by the designated employee) or has done business within the District at any time during the two years prior to the filing of the Statement.

Furthermore, pursuant to Government Code Section 87302(a), the District Board has determined that the following, but not by way of limitation, specific Business Entities in which a Designated Official or Employee has an Investment, Business Position, an Interest in Real

Property, or derives Income therefrom are reportable:

- (1) Bank, Savings and Loan or other Thrift Associations;
- (2) Third Party Payors for Health Care Services (including health maintenance organizations, hospital service plans, preferred provider organizations and indemnity health insurance carriers);
- (3) Liability Insurance Companies (including carriers which offer or sell professional liability insurance, comprehensive liability insurance, directors and officers liability and other types of insurance maintained by or on behalf of the District);
- (4) Real Estate Companies;
- (5) Ambulance Services Companies;
- (6) Health Care Providers / Facilities (including hospitals, skilled nursing homes, home health agencies, medical groups, ambulatory care centers, clinics, etc.);
- (7) Consulting Firms (architectural, legal, accounting); and
- (8) Any other Business Entity which supplies materials and/or supplies to the District, or which has supplied materials and/or supplies to the District at any time during the two (2) years prior to the time any statement or other action is required under this Code.