

AMA Conflict of Interest Policy

Purpose

As the leading physician organization in the nation, the American Medical Association ("AMA") holds a unique position as the representative of patients and physicians on issues that affect the health of all Americans. In formulating its policies, the AMA seeks the involvement of trusted, knowledgeable individuals, and encourages the expression of diverse views on important health issues facing America now and in the future.

Members of the AMA Board of Trustees, Officers of the AMA and members of the AMA's councils, committees and task forces bring to the AMA expertise drawn from their diverse knowledge and backgrounds. The AMA recognizes that, at times, the diverse background and activities of its Trustees, Officers and members of its councils, committees and task forces may conflict with the interests and activities of the AMA. Trustees and Officers hold a special position of responsibility to the Association, and owe a fiduciary obligation to act in the best interest of the Association. Members of councils, committees and task forces are an integral element of the AMA's decision-making process, and have a responsibility to place the achievement of the AMA's goals and mission above their personal interests.

Although not elected, Senior Managers are also expected to serve the best interests of the AMA. Conflicts of interest may arise from Senior Managers' affiliations with other organizations, or from other personal activities. It is important for the Board of Trustees to be aware of any affiliations or activities which may raise conflicts, as Senior Managers are responsible for advising the Board and making recommendations on AMA policies and activities.

The AMA has adopted a Conflict of Interest Policy to provide guidelines to assist the Trustees, Officers, Members and Senior Managers in resolving conflicts between personal interests and the interests of the AMA. This Conflict of Interest Policy strives to insure that Trustees, Officers, Senior Managers and council, committee and task force members will not act for their own personal benefit, contrary to the interest of the AMA, but instead will serve the best interests of the AMA. In order to insure that all individuals participating in AMA decisions and activities are governed by consistent guidelines, this Conflict of Interest Policy shall apply to Trustees, Officers, Senior Managers, members of councils, committees and task forces, and other individuals participating in AMA decision-making

activities.

Definitions

"Trustee" means members of the AMA Board of Trustees, including Officers of the AMA. "Member" shall mean a member of an AMA council, committee, task force or other decision-making group.

"Senior Manager" means the Executive Vice President, Deputy Executive Vice President, Chief Operating Officer, General Counsel, Chief Financial Officer, Senior Vice Presidents and any other Vice President who reports directly to the EVP or to the Deputy EVP.

"AMA" or "Association" shall mean the American Medical Association and its subsidiaries and affiliates.

"Immediate family member" shall mean spouse, domestic partner, parent or child. "Extended family member" shall mean spouse, domestic partner, parent, mother-in-law, father-in-law, child, spouse of child, grandchild, brother, sister, or spouse or child of a brother or sister. Guidelines relating to interests held by an immediate family member or extended family member shall apply to the extent such interests are known to the Trustee, Member or Senior Manager.

Guidelines

Ownership of a material financial interest in any company that furnishes goods or services, or is seeking to furnish goods or services, to the AMA.

The AMA recognizes that individuals have investments, through stock ownership, mutual funds, and similar vehicles, in companies that provide goods and services to businesses. Only those investments that constitute a significant financial investment raise a concern about a possible conflict of interest. The AMA also recognizes that a Trustee, Member, or an extended family member of a Trustee, Member or Senior Manager may be employed by, or have a consulting arrangement with, an organization that does business with the AMA. A conflict of interest may arise if the Trustee, Member, Senior Manager or extended family member of a Trustee, Member or Senior Manager holds a key position in such company and is responsible for approving the provision of goods or services to the AMA. Accordingly, "ownership of a material financial interest" shall mean holding a financial ownership interest of 5% or more, or holding a financial ownership interest which contributes materially to the Trustee's, Member's or Senior Manager's income, or holding a position as proprietor, director, managing partner or key employee.

The following requirements shall be followed:

A. A Trustee, Member and Senior Manager shall disclose his or her ownership of a material financial interest in any business which furnishes goods or services, or is seeking to furnish goods or services, to the AMA. A Trustee, Member and Senior Manager shall also disclose material financial interests owned by any extended family member.

B. A Trustee or Member shall excuse himself or herself from voting on any issues relating to the provision of the goods and services by any company in which the Trustee, Member, or any extended family member owns a material financial interest. A Trustee or Member shall also excuse himself or herself from participation in the discussions on such issues, except as requested to participate by the Board.

A Senior Manager shall not be involved in making the final decision on any issues relating to the provision of the goods and services by any company in which the Senior Manager or any extended family member owns a material financial interest. Also, a Senior Manager shall not be involved in the preparation of any arrangement to acquire such goods and services.

Claims against the AMA

A conflict of interest arises if a Trustee, Member or Senior Manager has a personal interest in a legal claim against the AMA.

A. A Trustee, Member and Senior Manager shall disclose any lawsuit, legal complaint, personal claim for damages or formal grievance which the Trustee, Member, Senior Manager, or any extended family member, has asserted or filed, or intends to assert or file, against the AMA.

B. A Trustee, Member and Senior Manager shall not be involved in any decisions relating to AMA's resolution of such claims.

Participation on Boards of Trustees or councils or committees of other organizations.

Participation by Trustees and Members on the Board of Trustees, Board of Directors, or on councils or committees of other organizations is beneficial to the Association, as the Trustees and Members gain important expertise and establish business relationships. To insure that the Trustee or Member is not placed in the difficult position of serving organizations with conflicting overall goals and objectives, a Trustee or Member shall disclose his or her participation in other organizations. If the overall goals and objectives of the AMA and the other organization do not conflict, participation is permitted. If a conflict exists, the Trustee or Member shall choose between the conflicting organizations, and shall resign from one of the positions.

Participation by a Senior Manager on a Board of Trustees, Board of Directors, council or committee of another organization shall be disclosed by the Senior Manager, and will be evaluated on a case-by-case basis to insure that the affiliation will not conflict with the Senior Manager's responsibilities in his or her position with the AMA.

Participation by a family member of a Trustee, Member or Senior Manager on a Board, council or committee generally will not raise conflict of interest concerns. There may be circumstances, however, in which a family member becomes involved in an activity that conflicts with AMA's policies and activities. Accordingly, Trustees, Members and Senior Managers shall disclose any affiliations of an immediate family member with any health care organization or health-related professional society. Potential biases of the Trustee, Member or Senior Manager will be evaluated and, if necessary, appropriate limits will be placed on the Trustee's, Member's or Senior Manager's participation in AMA actions related to any conflicting activity.

The AMA's Conflict of Interest Principles provide guidance in evaluating affiliations with other organizations, and provide recommendations for resolutions of conflicts arising out of such affiliations.

Other personal relationships, activities, or interests which may impair a Trustee's, Member's, or Senior Manager's objectivity or which may inappropriately influence a Trustee's, Member's or Senior Manager's decisions or actions on AMA matters.

Situations may arise, from time to time, where a Trustee, Member or Senior Manager is unable to separate his or her personal interest in an issue from his or her obligation to objectively serve the interests of the AMA. To insure that the Trustee's, Member's and Senior Manager's obligations to the AMA are met and that the interests of the AMA are paramount, disclosure of any such personal interests is required. However, it is important to keep in mind that the Trustees and Members will invariably have a personal interest in and opinion on the issues that come before the Board and councils and committees, due to the broad range and nature of the AMA's mission and activities.

In most instances, personal interests will not prevent a Trustee or Member from rendering an objective opinion. In order to fulfill the responsibilities of the Board of Trustees and of councils and committees, and to make appropriate and informed decisions, representation of different viewpoints is required, and an environment of full and open discussion must be maintained. It is necessary to insure that the broadest range of views and expertise is available to the AMA in its decision-making process. At times, the contributions of an individual with a personal interest are valuable precisely because of the knowledge or expertise obtained through the personal interest.

A requirement that a Trustee or Member be excused from discussions on any issue in which he or she has a personal interest would diminish the benefits the AMA receives from full, informed debate. Accordingly, full participation by all Trustees and Members should be encouraged. Limitations shall be placed on a Trustee's, Member's or Senior Manager's activities in those cases where a Trustee,

Member or Senior Manager cannot separate his or her personal interest from the interest of the Association and render a fair and independent decision.

In such cases, the Trustee or Member should excuse himself or herself from discussion and/or vote on the issue. If a Trustee or Member does not appropriately excuse himself or herself, but the majority of the remaining Trustees or Members believe that the Trustee or Member should be excused from either discussion or vote, the Chair shall require the Trustee or Member to excuse himself or herself from discussion and/or vote.

In such cases, a Senior Manager shall not participate in consideration or resolution of the issue.

Gifts

To avoid any inference that a decision was unduly influenced, a Trustee, Member, Senior Manager, and members of the Trustee's, Member's, and Senior Manager's immediate family, may not offer, solicit or accept any gift, money, benefit, loan, or other payment of any kind from any entity with whom AMA does business, with whom AMA is seeking to do business, or from any entity seeking to do business with AMA. The term "entity" includes, but is not limited to, financial institutions, business and professional firms, and individuals providing goods or services.

This provision is not intended to prohibit the following gifts or benefits:

- Acceptance or offering of nominal gifts, or social amenities and entertainment which are given in normal business practice and which would not raise an inference of undue influence.
- Acceptance or offering of gifts for a non-business reason, and which are motivated by a family relationship or personal friendship.
- Benefits or discounts offered under any AMA-sponsored program.
- Benefits or discounts which are offered as a professional courtesy to members of the medical profession, or to members of their immediate family, provided such benefits or discounts are not intended to influence an AMA decision.
- Books, journals, audio or videotapes, computer software or other informational material provided to assist the Trustees or Members in performing their duties for the AMA.

Honoraria

Any honoraria received by a Trustee or Member for AMA-related engagements shall be given to the Association. Alternative arrangements may be allowed, provided that the Trustee or Member notifies the Chair of the Board of Trustees and receives the Chair's prior approval.

Any honoraria received by a Senior Manager for AMA-related engagements shall be given to the AMA Foundation. Alternative arrangements may be allowed, provided that the Senior Manager notifies his or her manager and receives the manager's prior approval.

Illegal payments

A Trustee, Member or Senior Manager shall not give any bribe, kickback, or any other illegal or improper payment of any kind to any person with whom the Trustee, Member or Senior Manager comes in contact in the course of carrying out his or her responsibilities for the AMA.

Disclosure of confidential or proprietary information

In the course of performing services to the AMA, the Trustees, Members and Senior Managers will have access to information that is confidential or proprietary to the AMA. This information includes, but is not limited to, financial information, business plans, policy proposals and recommendations, policy development plans, confidential membership plans, and other information which would impede implementation of AMA activities if it were disclosed. A Trustee, Member, and Senior Manager shall maintain the confidentiality of such information and shall not disclose confidential or proprietary information for personal gain. A Trustee, Member and Senior Manager shall use his or her best efforts to prevent unauthorized disclosure of confidential or proprietary information.

Use of position or AMA's name

A Trustee, Member or Senior Manager shall not use the AMA's name, or his or her affiliation with the AMA in a manner that would incorrectly imply an AMA endorsement of a non-AMA product or service, or that would imply AMA support of a personal opinion or activity.

Activities following term

A former Trustee, Member or Senior Manager shall not use the AMA name or his or her affiliation with the AMA in any manner which would imply AMA support or endorsement of policies or activities of another organization. A former Trustee, Member or Senior Manager shall not use the AMA name or his or her affiliation with the AMA for commercial gain. A former Trustee, Member or Senior Manager shall not disclose confidential or proprietary information for personal or commercial gain. A former

Trustee and former Senior Manager shall refrain from all conduct, verbal or otherwise, which publicly disparages or damages the reputation, goodwill, or standing in the community of the AMA or its Trustees or Officers.

A former Member shall also refrain from disparaging the AMA. However, the expression of differences or disagreements with AMA policies that are unrelated to his or her official actions as a Member do not constitute disparagement.

Interpretation

The Conflict of Interest Policy is intended to be an evolving policy, and questions of interpretation and application can be expected to arise. Conflict of Interest Principles have been developed to provide guidance in resolving conflicts.

Implementation

Each Trustee, Member and Senior Manager shall execute annually a Compliance Statement, confirming that, to his or her knowledge, the Trustee, Member or Senior Manager has complied with the Conflict of Interest Policy, and disclosing any matters required to be disclosed under the Policy. The Secretary of each council, committee and task force shall be responsible for obtaining executed Compliance Statements. If no Secretary has been appointed, the council, committee or task force shall designate one of its Members to assume such responsibility. The General Counsel shall review all disclosures made by the Trustees, Members and Senior Managers. Each Trustee, Member and Senior Manager shall have a continuing responsibility to comply with this Conflict of Interest Policy.

Senior Managers are also required to comply with the AMA Human Resources Conflict of Interest Policy and such other Conflict of Interest rules or guidelines for employees that are adopted by the AMA. Employees below the level of Senior Manager are subject to the AMA Human Resources Conflict of Interest Policy. The General Counsel shall also provide an annual report to the Board stating that the conflict of interest compliance forms of the Vice Presidents have been reviewed, and reporting how such conflicts have been resolved. The General Counsel's report shall also inform the Board of any relationship, activity or affiliation disclosed by any other employee which may raise a conflict of interest and which would have a material impact on the operation of the AMA.

Effective April 8, 1999

Board of Trustees Policy

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