



## Conflicts of Interest Policy

<b>Responsibility of:</b>	Executive Leadership Team	<b>Effective Date:</b>	May 1, 2008
<b>Last Review:</b>	N/A	<b>Next Review:</b>	May 1, 2010
<b>Policy Number:</b>	135.0	<b>Cross References:</b>	<ul style="list-style-type: none"><li>▪ Research Ethics Board Operations Procedures</li><li>▪ Various Professional Ethics Guidelines/Documents</li><li>▪ Vendor Relations Policy (407.1)</li><li>▪ IWK Health Centre Board of Directors Code of Conduct</li></ul>
<b>Target Audience:</b>	IWK Health Centre Employees, Medical, Dental and Scientific Staff, Students, Volunteers, Board of Directors and Agents	<b>Approval by:</b>	Executive Leadership Team
<b>Pages:</b>	6		

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### A. POLICY

The Health Centre is committed to fulfill its mission in an honest and ethical manner. The Health Centre's mission of serving patients, families and the community through the delivery of quality health care, research, teaching and advocacy is achieved through participation in diverse activities that require IWK employees, medical, dental and scientific staff, students, volunteers, Board of Directors and agents to interact with many public and private organizations in the local, regional, national and international marketplace. In this complex business and academic environment, it is inevitable that conflicts of interest may arise. When these circumstances arise, it is important the Health Centre have a policy that educates on conflicts of interest and outlines a process to identify, declare and address the potential, perceived and actual conflicts.

It is the ethical and legal responsibility of all Health Centre representatives to ensure decisions and actions which affect the Health Centre, the services it provides and the community it serves are taken in the best interest of achieving the Health Centre mission and are not influenced by personal interests. Policies and practices must reflect the Health Centre's commitment to maintain the trust of patients, their families and the public by ensuring the acts of all persons affiliated with the Health Centre are conducted honestly and with integrity.

## B. PURPOSE

The purpose of the Health Centre policy is to:

- Educate employees, medical, dental and scientific staff, students, volunteers, Board of Directors and other agents about situations that generate conflicts of interest;
- Set out a process for identifying and addressing potential, actual and perceived conflicts of interest so that the public can maintain confidence that decisions and actions are not influenced by personal, financial or business interests;
- Set out protocol aimed to reduce the incidence and impact of conflicts of interest; and,
- Ensure consistent application of measures to prevent and address conflicts of interest.

## C. DEFINITIONS

A **conflict of interest** is a situation in which someone in a position of trust and in the discharge of one's duties and responsibilities has competing business, financial or personal interests. Such competing interests can make it difficult to fulfill his/her duties impartially. Even if there is no evidence of improper actions, a conflict of interest can create an appearance of impropriety that can undermine confidence in the ability of that person to act properly or objectively in his/her position. A conflict of interest is not, in and of itself, evidence of wrongdoing.

A conflict of interest takes many forms. Examples include, but are not limited to, cases in which a person or the organization:

- Uses Health Centre resources for private business purposes without authorization;
- Conducts a review, assessment or evaluation of a project or colleague, the outcome of which may affect personal interests;
- Initiates, conducts or participates in a research project or influences the decision process for approval that may affect his or her personal business, financial interests;
- Influences purchases of equipment, instruments, materials or services from private firms in which an employee, staff, agent or closely associated person has financial interests;
- Acceptance of gifts or free services from a vendor, service provider or contractor of the Health Centre when the employee, staff, or agent is in a position to determine or influence the Health Centre's purchases from those persons;
- Uses his/her position to provide access to health services outside of the normal process to himself/herself or other third parties;
- Acceptance of financial incentives that could be perceived to influence clinical research studies;
- Uses his/her position as a Health Centre Representative to promote the personal, financial or business interest of a closely associated person.

A **business interest** means any corporation, partnership, sole proprietorship, firm, franchise, association, organization, holding company, joint-style company, business or real estate trust or society or any other separate legal entity organized for profit or charitable purposes in which a person or closely associated person:

1. has a financial interest;

2. acts as a trustee, director or officer;
3. acts in a position as an employee, agent or otherwise, which includes responsibilities for a segment of the operational management of a business; or,
4. acts in a position as an employee, agent or otherwise, which includes responsibilities for influencing or determining the direction of the corporation.

A **financial interest** means an interest in a business consisting of:

1. any stock, stock options or similar ownership interest but excluding any interest arising solely by reason of an investment in such business by mutual fund, pension fund, or other institutional investment fund over which the affected person does not exercise control; or,
2. receipt of, or the right or expectation to receive, any income or benefit from such business whether in the form of a fee, salary, allowance, forbearance, forgiveness, interest in real or personal property, dividend, royalty derived from the licensing of technology, rent, capital gain, real or personal property, or any other form of compensation, or any combination of the foregoing.

A **personal interest** includes **professional interest** and means the personal or private interest of a person or closely associated person, including but not limited to career advancement or monetary gain and includes circumstances where outside personal or professional activities are substantial and demanding of the person's time and attention as to adversely effect the discharge of the person's responsibilities to the Health Centre.

A **closely associated person** is person with whom a Health Centre Representative has a relationship which may affect your objectivity and includes persons related by blood, adoption, marriage or common law marriage to the person with whom the Health Centre Representative has a personal or business relationship.

A **Health Centre Representative** includes IWK employees, medical, dental and scientific staff, students, volunteers, Board of Directors and other agents.

## **D. PROTOCOL**

1. Health Centre Representatives shall not participate in an activity or decision that involves an actual or potential conflict of interest unless such activity or decision has been approved in advance by the Board, his/her Director or Division/Department Head and, if such approval has been given, any terms or conditions made by the Board, Director or Division/Department Head are fulfilled.
2. All Health Centre Representatives shall take the following measures to mitigate and manage conflicts of interest:

### **Disclosure**

On an annual basis and as circumstances arise, all Health Centre Representatives shall disclose to the Board Chair (Board of Directors) his/her Director (employee, volunteers) or Division/Department Head (medical, dental, scientific staff, student) any involvement in outside employment or other activities, business interests, financial interests and relationships if such involvement:

- a) may give rise to a real, apparent or potential conflict of interest between the person's duties and responsibilities and his/her personal, financial or business interests; or,
- b) may affect the person's capacity to perform his/her duties and responsibilities objectively and impartially.

### **Withdrawal from decision-making or business process**

Health Centre Representatives have a duty to ensure that all decisions or commitments made on behalf of the Health Centre are made in an accountable and transparent manner. Persons who have made a disclosure under this policy or are otherwise considered to be in a conflict of interest with respect to a decision or matter of business may be required to withdraw from the decision-making or business process.

- 3. All Health Centre Representatives shall comply with the following requirements while acting in any capacity for or on behalf of the Health Centre, it being understood that the following are not intended to be exhaustive examples of the prohibited conflicts of interest. Should these circumstances arise, the Health Centre Representative shall comply with the Protocol set out in Part D of this policy.

### **Non-acceptance of benefits or gifts**

Acceptance of gifts for fulfilling the Health Centre Representative's role or position can create the perception that your judgement is compromised or can be influenced and/or create a sense of obligation. To avoid an actual or perceived conflict of interest, no Health Centre Representative shall accept any gift, including travel and accommodations, of more than token value from any person or organization as a consequence of their services, role or position with the Health Centre.

### **Prohibition against promotion of a private interest**

It is often difficult to separate when one is acting in his/her personal or professional capacity. While in the Health Centre or acting on the Health Centre's behalf, one must refrain from promoting personal interests. To avoid an actual or perceived conflict of interest, no Health Centre representative shall use their position with the Health Centre to offer or to promote goods and services in which they or a closely associated person have a personal, financial or business interest.

### **Prohibition against self-referral or referral to closely associated person**

No person who provides professional services, operates or has a business or financial interest in a private facility or practice shall use their position within the Health Centre to generate referrals to a service outside of the publically funded health care system, unless such a referral is made with the full disclosure of the business or financial interest to the patient.

No person shall use their position within the Health Centre to generate referrals to or promote the use of services or facilities outside of the publically funded health care system in which a closely associated person holds a personal, business or financial interest, unless such a referral is made with the full disclosure of the financial interest to

the patient.

### **Non-disclosure of information**

No person shall disclose any information that is not available to the general public for the purpose of furthering a personal, financial or business interest of the person or a closely associated person.

### **Outside activities**

No person shall be involved in outside employment or other activities that involve the use of Health Centre premises, equipment or supplies, unduly interferes through telephone calls, internet use or otherwise with regular duties or is performed in such a way as to appear to be an official act or to represent the Health Centre.

### **Use of position/relationships to influence access to health care services**

No person shall use his/her position/relationships to secure access to health care services for any person outside of the normal procedures to the detriment of other patients (including increasing the waiting time for other patients in the system).

## **E. DISCLOSURES AND REVIEWS**

**[NOTE: The following does not apply to research projects. The process to be followed for such projects is set out in the Research Ethics Board Operating Procedures.]**

1. On at least an annual basis, this policy shall be on the agenda of the Medical Advisory Committee, Joint Management Operations Committee, Professional Practice Chief Council and Board of Directors so as to ensure each Director/Vice President or Division/Department Head are informed of the policy, the requirement of disclosure and Health Centre Representatives are reminded of the policy and requirements.
2. The Board Chair and each Director and Division/Department Head shall review all disclosures made to them in a timely manner and, upon consultation with the affected person(s) and other Health Centre resources such as Legal Counsel, the Ethics Committee or Professionals Chiefs, make a determination as to whether the personal, financial or business interest conflicts with the affected person's professional duties. If it is determined there is an actual or potential conflict of interest, the Director or Division/Department Head may implement terms and conditions to ensure the avoidance of the conflict of interest. The Director or Division/Department Head and the affected person shall monitor the circumstances and make adjustments to any terms and conditions implemented as required.
3. In circumstances where a Board Chair, Director/Vice President or Division/Department Head is made aware of a potential, actual or perceived conflict of interest which the affected person has not brought to his/her attention, the Board Chair, Director or Division/Department Head shall follow up with the affected person to determine whether a conflict of interest exists in the manner set out above.

4. The Board Chair's determination that a Board Member has an actual or perceived conflict of interest shall be final. The determination that any other Health Centre Representative has an actual or perceived conflict of interest may be reviewed. In the event the affected Health Centre Representative does not agree with the Director's or Division/Department Head's determination a conflict of interest exists or the terms and conditions implemented, the affected person may seek a review of the Director's or Division/Department Head's decision by setting out his/her issue with the decision in writing and providing to the Vice President responsible for the department, within ten (10) days of receiving the Director's or Division/Department Head's decision. A copy of this correspondence must be provided to the Director, Division/Department Head and, where applicable, the Professional Practice Chief at the same time it is provided to the Vice President.

The Vice President shall review the decision in a timely manner and where he/she feels appropriate consult the Director, affected person and other Health Centre resources such as Legal Counsel, the Ethics Committee or Professional Chiefs. The Vice President shall have the discretion to uphold, set aside or modify the Director or Division/Department Head's determination and any proposed terms and conditions. The Vice President's decision on the matter shall be final.

## **F. REPORTING AND NON-COMPLIANCE**

### **1. Reporting**

All Health Centre Representatives shall report any real or perceived conflicts of interest of which they have become aware to his/her Director or Division/Department Head, who, depending on the nature and materiality of the conflict of interest, will report to the relevant Vice President. In any case where such a report has been made, the report will be treated confidentially to the extent possible. There shall be no consequences for individuals making reports of actual or perceived conflict of interest so long as any report is made in good faith.

### **2. Non-Compliance**

Non-compliance with any provision of this policy may result in disciplinary action, up to and including the possibility of termination of employment. It is also important to understand that a violation of certain provisions of this policy may be a violation of law and may subject the person involved to criminal prosecution or civil liability.

## **G. REFERENCES**

Conflict of Interest Policy	Dalhousie University
Conflict of Interest Policy	University of British Columbia
Conflict of Interest Policy	Canadian Institutes of Health Research
Conflict of Interest Guidelines	Doctors Nova Scotia
Secondary Employment Policy	Halifax Regional School Board
Conflict of Interest Policy	Cape Breton District Health Authority
<i>Members and Public Employees Disclosure Act (1991), c. 4, s. 1 as amended</i>	