



Risk Management Policy

Effective January 15, 2008

Approved by the Board of Directors on
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NOVA SCOTIA PRESCRIPTION MONITORING PROGRAM

SECTION I

RISK MANAGEMENT POLICY

1. Policy Objective

The objective of this policy is to safeguard the Board's and the Program's assets and interests during the conduct of their operations.

By way of background, risk management is a logical step-by-step process to protect, and consequently minimize risks to the Board's and the Program's assets and interests. Risk includes the chance of damage to or loss of assets, and the chance of incurring legal liability. The saying "forewarned is forearmed" is an apt description of the management of risk.

2. Policy Statement

The Board will ensure, through the Administrator, that a systematic process is put into place to identify, and reduce or eliminate risks to its Program, assets and interests, to minimize and contain the costs and consequences in the event of harmful or damaging incidents arising from those risks, and to provide for adequate and timely restoration and recovery.

2.1 Responsibilities

The Board is responsible to understand the principal business risks facing the Board and the Program and to monitor the effectiveness of systems and processes put in place by the Administrator to minimize or manage those risks.

The Administrator is responsible for implementing a risk management process to (a) systematically identify potential risks, (b) evaluate the probability and severity of the potential risks, (c) implement policies and systems to minimize or manage these risks and (d) evaluate the ongoing effectiveness of those risk management policies and systems.

2.2 Risk Management Framework

In the case of the Board and the Program, the risk management framework for the development of a risk management system will include the following categories of potential risk:

Area of Opportunity/Risk	Examples
<i>Strategic</i>	Political/regulatory environment; market conditions; new competitors
<i>Operational</i>	Security of data; business processes; technology; human resources; business interruption; environmental issues; health and safety issues; crisis management

Area of Opportunity/Risk	Examples
<i>Leadership</i>	Ability to innovate and motivate throughout the organization; choice of Administrator; Board succession
<i>Partnership</i>	Ability to choose appropriate alliances, partnerships and make them work well
<i>Reputation</i>	Quality of products and services; illegal or unethical acts; fraud
<i>Quality</i>	Quality assurance systems; feedback from Program users and stakeholders
<i>Internal Controls and Management Information System</i>	Quality and timeliness of information to support good decision-making; adequacy of checks and balances to protect the assets of the Board/Program

Source: Adapted from Saucier Report, 2001 (Joint TSE/CICA Committee on Governance)

2.3 Annual Risk Management Presentation

The Administrator will make an annual presentation to the Board on the risk management systems relating to the Program. The Board and the Administrator will, at least annually, discuss the range of potential risks to which the Program and the Board may be exposed and the general adequacy of the Administrator's systems to manage those risks.

2.4 External Evaluation

From time to time, the Board may commission an external advisor to conduct an evaluation of the adequacy and sufficiency of the Board or the Administrator's risk management systems relating to the Program. The evaluation report will be presented to the Board and also reviewed with the Administrator.

3. Legislative Framework

The Prescription Monitoring Act provides that:

- o The Board shall establish and operate a prescription-monitoring program for the Province (s. 5)
- o The Minister shall appoint an Administrator (s. 12(1))
- o The Administrator shall administer the Program to assist the Board in carrying out its duties and carry out a number of other duties described in the Act (s. 12(2))
- o No action for damages lies against
 - (a) A licensing authority, the Administrator or the Board;
 - (b) An officer, director or employee of a licensing authority, the Administrator or the Board;
 - (c) A member of a committee or subcommittee of the Board; or

(d) A prescriber or pharmacist,

For any proceeding initiated or taken in good faith under the Act, for any act or failure to act in good faith in carrying out their duties or obligations as an officer, director, employee or member under the Act, or for any decision, order or resolution made or enforced in good faith under the Act. (s. 24)

- No action lies against any person for disclosure of any information or document or anything therein pursuant to this Act if such disclosure is made in good faith. (s. 24)
- No action for damages lies against a prescriber or pharmacist or other person for disclosing any information, books, records, papers, and other documents in their possession or control when disclosed in good faith pursuant to the Act (s. 24)

4. Principles

The following principles will guide the Board's oversight of the Administrator's risk management policies and systems:

- (a) A proactive and systematic approach to the identification, evaluation and minimization of risks is preferred over an adhoc reactive approach
- (b) An overall discussion of the risks and risk management systems should occur at least annually
- (c) The implications and risks associated with specific Board policies or decisions should also be reviewed when those policies or decisions are considered by the Board

5. Definitions

In this policy:

- (a) "Administrator" means the agency or person designated by the Minister to administer the Program, and for the purposes of this Policy includes the Manager appointed by the Administrator or any other person employed by the Administrator.
- (b) "Board" means the Nova Scotia Prescription Monitoring Board established by the Prescription Monitoring Act.
- (c) "Program" means the prescription-monitoring program established by the Board.

6. Scope

This Policy applies to:

- (a) the Board, and
- (b) the Administrator.

7. Accountability

The Administrator has responsibility for the ongoing monitoring and enforcement of this Policy. The Administrator will report on compliance with this Policy to the Board at least once per year.

8. Challenging Compliance

Any challenge to the Program's compliance with this Policy shall be provided in writing to the Board Chair.