



Conflict of Interest Policy and Guidelines

Effective January 15, 2008
Approved by the Board of Directors on January 15, 2008
Revised Version Approved by the Board of Directors on November 1, 2014

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NOVA SCOTIA PRESCRIPTION MONITORING PROGRAM

SECTION I

CONFLICT OF INTEREST POLICY

1. Policy Objective

The integrity of the organization's decision-making may be compromised by a real or perceived conflict of interest on the part of any of its Directors, committee members or the Administrator. Trust and confidence in the Board, committee members or the Administrator can only be sustained if all forms of conflict of interest are identified, disclosed and resolved.

2. Policy Statement

A conflict of interest is:

- any situation in which a Director's, committee members or the Administrator's private or personal interests may be incompatible or in conflict with their duties and responsibilities as a Director, committee member or Administrator
- any situation where the involvement of a Director, a committee member or the Administrator in another organization may, or may be perceived to, influence their carrying out of duties and responsibilities as a Director, committee member or Administrator.

A conflict of interest can be:

- of a monetary or economic nature (gain or avoidance of loss), or
- non-economic interests or benefits that may serve political, corporate or institutional interests of a Director, committee member or the Administrator.

A conflict of interest can also be:

- direct – where a Director, committee member or the Administrator benefits directly (whether financially or otherwise) or
- indirect – where a Director, committee member or the Administrator derives an indirect benefit through family relationships, being a shareholder or paid Director or paid officer in a non-offering company, being a Director or officer with more than 10% of the shares issued by an offering company, or belonging to a partnership or sole proprietorship.

Finally, this policy includes a conflict of interest that is:

- real - an interest that does cause divided loyalties
- potential - an interest that could give rise to divided loyalties depending upon how the situation unfolds (e.g. the Program issues an RFP for professional services; if a director is a partner in a firm

that is considering responding, he/she has a potential conflict; if the firm does not respond, there is no conflict), or

- perceived - when there are reasonable grounds to believe that a person has a conflict, even where there may not be in fact.

A conflict of interest does not exist where:

- the interest is so remote or insignificant that it cannot reasonably be regarded as likely to influence the Director, committee member or Administrator, or where a pecuniary interest is in common with a broad group of which the Director, committee member or Administrator is a member.

Representatives of Provincial Licensing Bodies

The Act contemplates that the medical, dental, nursing and pharmaceutical licensing bodies will make appointments to the Board. In certain instances, members of these professions may have complaints arising from the operation of the Program filed against them with their respective licensing bodies. It is important to note that the PMP Board does not receive information relating to specific cases being dealt with by the Program. Rather, it receives only aggregate data regarding complaints referred to professional licensing bodies by the Program. It is therefore anticipated that board members who also have responsibilities with professional licensing bodies will very rarely find themselves in a conflict of interest situation vis-à-vis particular cases.

The Practice Review Committee is an operational committee that may receive specific and identifiable data as part of its normal functioning. So as to avoid any conflicts or perceived conflicts, the members of this Committee should not have official responsibilities relating to the processing of complaints by any of the professional licensing bodies affected by the Program.

3. Legislative Framework

Under the Members and Public Employees Disclosure Act, a “public employee” is defined as including a member of a Board of Directors of a department (s. 3(h)). “Department” is defined to include a board or other body of persons all of the members of which are appointed by an Act of the Legislature or by order of the Governor in Council (s. 3(a)). Therefore, it appears that the directors of the Prescription Monitoring Board may be subject to the Conflict of Interest provisions (Part III) of the Members and Public Employees Disclosure Act.

The relevant provisions read as follows:

- 23 (1) It is a conflict of interest for a public employee to act contrary to this Section.
- (2) No public employee shall use information acquired in the execution of the office of the public employee that is not available to the general public in order to obtain a personal benefit.
- (3) Where a public employee is at a meeting at which consideration of a decision arises in the execution of the office of the public employee and where the public employee knows or ought to know that the decision could result in the public employee receiving a personal benefit, the public employee shall

- (a) inform the meeting that the decision could result in a personal benefit to the public employee and the general nature of that benefit;
 - (b) withdraw from the meeting; and
 - (c) refrain from participating in or influencing the decision.
- (4) In this Section, "personal benefit" does not include a benefit that
- (a) is of general public application;
 - (b) affects a public employee as one of a broad class of persons;
 - (c) concerns the remuneration, allowances and benefits of a public employee;
 - (d) is so remote or insignificant in its nature that it cannot reasonably be regarded as likely to influence the public employee.

4. Principle(s)

Each of the Directors, committee members and the Administrator will at all times during their tenure refrain from being in a position of conflict between his/her own interests and his/her duties of as a director of the Board or Administrator of the Program.

Directors owe a fiduciary obligation and a duty of loyalty to the Prescription Monitoring Board/Program.

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) "Committee member" – is an individual appointed by the Board to a Committee associated with the Program.
- (d) "Director" means a Director of the Board.
- (e) "Program" means the Prescription Monitoring Program established and operated by the Board.

6. Scope

This Policy applies to:

- (a) Directors,
- (b) Committee members, and
- (c) the Administrator.

7. Accountability

The Chair of the Board has responsibility for the ongoing monitoring and enforcement of this policy. Directors, committee members and the Administrator have the responsibility to declare any conflicts of interest they may have and to follow the procedural guidelines related to this policy.

8. Challenging Compliance

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

NOVA SCOTIA PRESCRIPTION MONITORING PROGRAM

SECTION II

GUIDELINES

A. Conflict of Interest Process

1. The Prescription Monitoring Board depends on the integrity of its Directors, committee members and the Administrator to disclose their individual conflicts of interest, if any. Directors, committee members and the Administrator will be asked to sign a Conflict of Interest Agreement upon their appointment or reappointment.
2. A Director, committee member or the Administrator who feels that he/she has or may have a perceived conflict of interest should declare the conflict and the general nature of the conflict at a board meeting (and/or committee meeting as the case may be) at the earliest opportunity. This declaration will be recorded in the minutes of the meeting.
3. If a Director, committee member or the Administrator is unsure of whether he/she is in a conflict of interest, he/she should raise the matter with the Board Chair (or Committee Chair, as the case may be) at the earliest opportunity. Similarly, if any Director, committee member or the Administrator considers that another Director, committee member or the Administrator has or may have a conflict of interest, he/she should raise the matter with the Board Chair (or Committee Chair, as the case may be).
4. If the Director, committee member or the Administrator with the alleged conflict and the Board Chair (or Committee Chair) are unable to resolve the issue, the Chair of the Board (or Committee Chair) will bring the situation to the Board (or Committee) as a whole. The Board (or Committee) should determine by majority vote whether or not a conflict of interest exists. Of course, the Director, committee member or Administrator involved should refrain from voting on the existence of a conflict.
5. If a Director, committee member or the Administrator has declared or has been found to be in a conflict of interest, he/she must:
 - withdraw from a Board or a committee meeting while the matter is being discussed and voted upon to ensure that he/she does not participate in the discussion or vote on the related matter
 - not attempt, in any way before, during or after the meeting to influence the voting on the related matter.

B. Consequences for Breach of Policy

What happens if a Director, committee member or the Administrator is in a conflict of interest but does not declare it? The Board may:

- issue a verbal reprimand to the Director, committee member or Administrator
- request that a Director or committee member resign
- take corrective action against the Administrator, up to and including termination of the service agreement between the Board and the Administrator as set out in Article 19 (Medavie Breach) of the Service Agreement between the Nova Scotia Department of Health and Wellness and Medavie Inc.