



Summary Resource Document and Position Statement:

Covenant Health Compliance under the Conflict of Interest Act (Alberta)

Introduction:

The purpose of this resource document and position statement (the “position statement”) is to provide direction and ensure compliance with requirements for Covenant Health contained in the *Conflicts of Interest Act (Alberta)* (the “Act”). The document summarizes key principles and obligations as defined under the Act.

Position Statement:

As a Catholic, faith-based organization, Covenant Health is committed to upholding the highest ethical standards in all clinical and business dealings as model corporate citizens. This requires refraining from any real or perceived behaviour or relationships in the course of one’s work or association with Covenant Health that could be construed as advancing one’s personal, financial or business interests over the interests of the organization. (See Definitions section below regarding the scope of interests that could apply.)

While conflicts of interest may be unavoidable and can arise and evolve unintentionally given the complex array of relationships with others in the organization or the community, these relationships must nevertheless be disclosed, and appropriately managed with sufficient confidence to ensure consistent ethical integrity.

This summary statement applies to all Covenant Health facilities, employees, members of the medical staff, volunteers, students, board members, senior officials, designated senior officials and to any other persons acting on behalf of Covenant Health (“personnel”).

Responsibility:

It is the responsibility of all Covenant Health personnel to disclose actual, potential or perceived conflicts of interest, and to take appropriate steps so as not to compromise the ethical integrity of the organization. Those who are also bound by professional codes of conduct regarding conflict of interest are expected to uphold their professional obligations in the course of performing their duties for or on behalf of Covenant Health.

The Act states that personnel of Covenant Health are expected to act with integrity and impartiality and must avoid conduct that violates the public trust or creates a conflict of interest or apparent conflict of interest and further that the adoption of clear and consistent

conflict of interest rules, post-employment restrictions and reporting duties will promote these aims.

Definitions:

Act:

Means the *Conflicts of Interest Act* (Alberta).

Board Chair:

Means the chairperson of the Covenant Health board of directors who for the purpose of this position statement is a senior official within the meaning of section 23.921(3) and (5) of the Act.

CEO:

Means the Chief Executive Officer of Covenant Health who for the purpose of this position statement is a designated senior official within the meaning of section 23.921(4) and (5) of the Act and a senior official within the meaning of section 23.921(3) and (5) of the Act.

Conflict of Interest:

A divergence between a person's own and/or their family's personal, financial or business interests and the person's professional obligations to Covenant Health such that an independent observer might reasonably question whether the person's professional actions or decisions are determined by considerations of personal gain, financial or otherwise. This definition extends to actual, potential and perceived conflicts of interest.

Family:

Includes parent, spouse, adult interdependent partner, common-law spouse, child, siblings, mother-in-law, father-in-law, daughter-in-law, son-in-law, brother-in-law, sister-in-law, grandparent, grandchild, former guardian, fiancé, or any other relative who is or has been residing in the same household as well as step-relationships of the same degree. In addition, common-law relationships, same gender relationships and related persons.

Gifts

Any item of value, regardless of amount, provided free of charge and not part of a contracted purchase, including, but not limited to: pens, notepads and other promotional items, stethoscopes, journals, textbooks, drug samples, honorariums, educational sponsorship, meals and hospitality, liquor, tickets to sporting or other events, etc.

Industry

Any vendor conducting business with Covenant Health personnel including, but not limited to: pharmaceutical, device or other medically related companies; developers, construction and trade companies; benefit carriers, financial institutions, telecommunication and marketing vendor, etc.

Industry Support

The provision of support by industry to Covenant Health in the form of funds, goods, or services provided in kind for the purposes of education, training, quality improvement, research and other initiatives sponsored by Covenant Health.

Personal Benefit:

A benefit beyond the normal terms of the relationship with Covenant Health, to the person, their family and/or any business interest of the person, or their family, or the granting of

special considerations or advantages by Covenant Health personnel to selected individuals, groups or businesses.

Coming into Effect

This position statement shall be made publicly available thirty (30) days after approval of the position statement by the Ethics Commissioner is received by Covenant Health and shall come into effect on April 30, 2019.

Requirements of the Act with respect to Covenant Health personnel

The following requirements of the Act shall apply to Covenant Health personnel:

1. Personnel of Covenant Health are subject to this position statement pursuant to s. 23.922(1) of the Act.
2. Personnel must conduct themselves impartially in carrying out their duties as required pursuant to s. 23.922(2)(a) of the Act and as further described in the Procedure outlined below.
3. Personnel must not act in self-interest or further their private interests by virtue of their position or through the carrying out of their duties pursuant to s. 23.922(2)(b) of the Act and as further described in the Procedure outlined below.
4. Personnel must appropriately and adequately disclose real and apparent conflicts of interest as required pursuant to s. 23.922(2)(c) of the Act and as further described in the Procedure outlined below.
5. Personnel must avoid a conflict of interest or apparent conflict of interest due to the acceptance of gifts as required pursuant to s. 23.922(2)(d) of the Act. Maximum cash values of gifts, including a maximum cash value of gifts within the year from a single source are further described in the Procedure outlined below.
6. Personnel must avoid a conflict of interest or apparent conflict of interest due to a person's involvement in an appointment, business, undertaking or employment, other than their duty to Covenant Health as required pursuant to s. 23.922(2)(e) of the Act.. The process for reviewing such concurrent appointments is as further described in the Procedure outlined below.
7. The process for receiving and investigating complaints alleging a breach of this position statement and for responding to a finding that this position statement has been breached as required pursuant to s. 23.922(2)(f) of the Act is further described in the Procedure outlined below.

Procedure:

1. *Procedure for personnel conducting themselves impartially in carrying out their duties.*

Personnel shall act impartially and in the best interests of patients, residents and Covenant Health at all times and will not use their position for personal benefit, financial gain or other external business interests.

As a ministry of service in which therapeutic relationships with patients, residents, family, visitors and staff are celebrated and acknowledged as a foundational element of the healing process, this position statement in turn recognizes that relationships generally are good in and of themselves, and are promoted in keeping with the culture of Covenant Health. The issue is when relationships affect, or reasonably appear to affect, a decision taken by Covenant Health and in so doing compromise the reputation and ethical integrity of the organization.

Therefore, personnel shall disclose all interests and relationships which may impact the impartiality of carrying out their duties for Covenant Health:

- as part of their position's commencement process; and
- at any time a potential conflict may arise which impacts the impartiality of Covenant Health personnel.

A form to enable written disclosure of concerns around impartiality is attached as Appendix A to the Conflict of Interest Policy found at <http://www.compassionnet.ca/Policy/iii-15.pdf>.

2. *Procedure for personnel not acting in self-interest or furthering their private interests by virtue of their position or through the carrying out of their duties.*

Personnel shall not use the organization's resources to engage in activities which are of personal benefit or financial gain. Actions of self-interest or that further a private interest will be viewed to exist where personnel:

- have an outside interest or personal relationship, that an independent observer might reasonably conclude to be a factor, which impedes or has the potential to impede the proper performance of their Covenant Health work;
- have an actual, potential or perceived conflict of interest that puts into question their objectivity or Covenant Health's integrity when making decisions;
- use Covenant Health property, including, but not limited to equipment, premises, material, name and information technology, for personal benefit or gain;

- accept gifts that compromise or are perceived to compromise professional or clinical judgment (i.e., receiving cash or gift certificates from patients, residents or families), or accept personal loans, bequests or other favours from an individual or organization which are a consequence of their position with Covenant Health. This does not preclude the acceptance of gifts as described and in alignment with this position statement;
- are involved in the financial affairs of patient or residents, including matters relating to powers of attorney, wills and estate planning or the witnessing of such documents (with the exception of those whose defined roles require providing appropriate assistance to patients or residents in financial matters, i.e., Social Work and/or designate);
- are involved in the non-financial affairs of patients or residents including matters relating to personal directives decision-making and guardianship or the witnessing of such documents (with the exception of those whose defined roles require providing appropriate assistance to patients or residents in non-financial matters, i.e., Social Work and/or designate);
- provide direct care to a patient, resident or family member where a close familial, romantic or sexual relationship exists;
- disclose information to any individual or organization which would afford an advantage not generally available to others, including those related by family or personal relationships outside of a need to know basis, or such disclosure on a post-employment basis; or
- place themselves in a position where they are under obligation to any person who might benefit from special consideration or favour on their part, or who might seek in any way preferential treatment or service.

Personnel shall report actual or suspected breaches of this position statement in situations where they reasonably believe that an individual is acting in a self-interested manner or is furthering their own private interests by virtue of their position or through the carrying out of their duties at Covenant Health. A report alleging a breach of this nature shall be made to an immediate manager or supervisor as further described in the procedure contained in paragraph 6 below.

3. Procedure for personnel appropriately and adequately disclosing real and apparent conflicts of interest.

Real or perceived conflicts of interest can create concerns about the impartiality of decision making similar to the concerns outlined in paragraph 1 above.

Therefore, personnel shall use the same process to disclose all interests and relationships which are actually, potentially or perceived to be in conflict with the interests of Covenant Health:

- as part of their position's commencement process; and

- at any time a potential conflict of interest may arise.

A form to enable written disclosure of actual, potential or perceived conflicts of interest is attached as Appendix A to the Conflict of Interest Policy found at <http://www.compassionnet.ca/Policy/iii-15.pdf>.

4. Procedure for personnel avoiding a conflict of interest or apparent conflict of interest due to the acceptance of gifts.

Covenant Health personnel shall not accept fees, gifts or other benefits that are connected directly or indirectly with the performance of their office or duties, from any individual or organization other than:

- The normal exchange of gifts between friends;
- The normal exchange of hospitality between persons doing business together;
- Tokens exchanged as part of protocol; or
- The normal presentation of gifts to persons participating in public functions, awards, speeches, lectures, presentations or seminars.

Acceptance of cash or cash equivalents as a gift is strictly prohibited.

The value of a single tangible gift permitted by this section shall not exceed \$100. The cumulative maximum cash value limit for tangible gifts permitted by this section from a single source vendor in a calendar year is \$200.

The value of a single event invitation permitted by this section shall not exceed \$500. The cumulative maximum cash value limit for event invitations permitted by this section from a single source in a calendar year is \$1000.

The following are examples of situations where the above restrictions on gifting will not apply:

- a. Items offered pursuant to value-added provisions of vendor contracts awarded pursuant to Covenant Health's procurement policies. For example, professional development sessions for IT or insurance education by contracted vendors if set out explicitly in the contract.
- b. Scholarships or bursaries for the purposes of continuing education.

Attendance at community partner events

The CEO or Board Chair may approve attendance at a community partner's event valued in excess of the above threshold where such attendance is considered essential to the management of the relationship with the community partner. This provision shall only be utilized with respect to community service partners such as municipalities, police services, educational institutions and other health service partners whom it is essential to establish working service relationships with to achieve service delivery. Industry Support, or other events provided by Industry, shall not be approved pursuant to this section.

5. Procedure for personnel avoiding a conflict of interest or apparent conflict of interest due to a person's involvement in an appointment, business, undertaking or employment, other than their duty to Covenant Health.

Covenant Health personnel may accept appointment to other offices or hold employment, including self-employment, unless such appointment or employment:

- i) causes an actual or apparent conflict of interest;
- ii) is performed in such a way as to appear to be an official act of Covenant Health, or to represent Covenant Health's opinion or policy;
- iii) materially interferes with regular duties; or
- iv) involves the use of Covenant Health's premises, equipment, supplies, or assets, unless such use is otherwise authorized.

Prior to accepting any supplementary employment or appointment, personnel must notify their immediate manager or supervisor in writing about the nature of supplementary employment or appointment. The immediate manager or supervisor shall review the proposed employment or appointment for real or apparent conflicts of interest. If there is no real or apparent conflict of interest, the manager or supervisor may approve the employment or appointment in writing. If there is a real or apparent conflict of interest, the manager or supervisor shall in writing, deny the employment or appointment and provide reasons to the individual, or allow the employment or appointment and put procedures in place to manage the real or apparent conflict of interest. Should the individual disagree with the manager or supervisor's reasons for denying the employment or appointment, the individual will have the right to appeal the decision to the CEO.

6. *Procedure for receiving and investigating complaints alleging a breach of this position statement and for responding to a finding that this position statement has been breached.*

The following procedure applies to receiving and investigating complaints alleging a breach of this position statement and for responding to a finding that this position statement has been breached.

- i) Personnel shall report actual or suspected breaches of this position statement. A report alleging a breach of this position statement shall be made to an immediate manager or supervisor. In the event the alleged breach concerns the personnel's immediate manager or supervisor, the report can be provided to the immediate manager or supervisor of such manager or supervisor.
- ii) Upon receiving a report alleging a breach of this position statement, the immediate manager or supervisor will review the situation and consult with their responsible Director, Executive Director, or Senior Operating Officer, who, if required or deemed necessary, will consult with either/or together with the Chief Officers of Finance, Human Resources and Mission and Ethics to determine whether a breach of this position statement has occurred. A party alleged to have breached this position statement shall be given notice and provided the full details of the allegations made against them as well as provided an opportunity to respond to the allegations and provide any other relevant information. Relevant considerations are as follows:
 - the degree of personal benefit derived by the individual;
 - the frequency and value of the gift, item or favour;
 - whether or not the individual is in a position to effectively influence or make a decision which may result in a personal benefit;

- the potential for the perception of conflict of interest and potential impact upon the individual and/or Covenant Health; and
 - the confidence and assurance that the person will manage the actual, potential or perceived conflict of interest, as reasonably would be concluded by an independent observer.
- iii) If there is no breach, no further action is required and the person will be advised in writing.
- iv) If reports of a breach escalate to the Senior Leadership level, the lead Chief Officer investigating the matter, either of Human Resources, Finance, or Mission and Ethics will, separately or in consultation with the other two, provide a report and recommendation to the CEO.
- v) The lead Chief Officer will then advise the immediate manager or supervisor and the individual alleged to have breached this position statement of the action required to remove the conflict, if any, and will provide a copy of the report and recommendations. Actions required may include: (i) personnel removing themselves from matters in which a conflict exists or is perceived to exist (ii) personnel in conflict giving up a particular private interest causing the conflict (ii) personnel resigning their position with Covenant Health (iv) termination of employment with Covenant Health.
- vi) If the individual alleged to have breached this position statement does not accept the action required as outlined in the report and recommendations provided by the lead Chief Officer, the individual will have the right to appeal the decision to the CEO. The CEO may initiate an independent third-party review as part of their review of the appeal.

Note that Alberta has also enacted public interest disclosure legislation which enables employees to disclose concerns about wrongdoing to the designated officer of Covenant Health or to the office of the Public Interest Commissioner (Alberta). Information about disclosures about wrongdoings can be found under the Covenant Health Disclosure of Wrongdoings and Protection of Persons who Disclose Wrongdoings policy found at <http://www.compassionnet.ca/Policy/iii-70.pdf> and at the Public Interest Commissioner website at www.yourvoiceprotected.ca.

Requirements of the Act with respect to the Board Chair and CEO Only (Note: this section does not apply to personnel generally, only to the Board Chair and CEO)

The Board Chair and the CEO must not take part in a decision in the course of carrying out his/her office or powers knowing that the decision might further a private interest of the Board Chair or the CEO, a person directly associated with the Board Chair or the CEO, or the Board Chair or the CEO's minor or adult child:

The Board Chair and the CEO must not use his/her office or powers of influence or seek to influence a decision made by or on behalf of the Crown or a public agency to further a private interest of the Board Chair or the CEO, a person directly associated with the Board Chair or the CEO, the Board Chair or the CEO's minor child or to improperly further any other person's private interest;

The Board Chair and the CEO must not use or communicate information not available to the general public that was gained by the Board Chair or the CEO in the course of carrying out his/her office or powers to further or seek to further a private interest of the Board Chair or the CEO or any other person's private interest; and

The Board Chair and the CEO must appropriately and adequately disclose a real or apparent conflict of interest.

Requirements Specific to the CEO of Covenant Health

The following provisions come into effect for the current CEO on the earlier of: (i) April 4, 2020, or (ii) upon renewal or extension of their contract or appointment. For new hires or appointments, these obligations will apply immediately.

Restrictions on Concurrent Employment

The CEO shall not be involved in any appointment, business, undertaking or employment, including self-employment, other than the CEO's appointment, business, undertaking or employment with Covenant Health, unless the CEO applies for and receives approval in writing from the Ethics Commissioner, and the CEO complies with any conditions that the Ethics Commissioner places on that approval.

Restrictions on Holdings

As set out in s.23.93 of the Act, the CEO must not own or hold a beneficial interest in publicly-traded securities unless held in a blind trust or investment arrangement approved by the Ethics Commissioner or the Ethics Commissioner grants prior approval of the retention of the ownership or beneficial interest. Approvals must be granted in writing by the Ethics Commissioner.

Publicly-traded securities must be managed within 60 days of a person becoming the CEO, s.23.93 of the Act becoming applicable to the CEO, or the acquisition of publicly-traded securities by gift or inheritance. The Ethics Commissioner may set out a longer period.

Disclosure Requirements

As set out in s.23.931 of the Act, within 60 days of becoming the CEO or of s.23.931 of the Act becoming applicable to the CEO, and in each subsequent year at a time specified by the Ethics Commissioner, the CEO must provide to the Ethics Commissioner, in a manner and form specified by the Ethics Commissioner, a full financial disclosure of the CEO's assets, liabilities, investments, holdings, and other interests and of the assets, liabilities, investments, holdings or other interests and of the assets, liabilities, investments, holdings and other interests of the CEO's direct associates; spouses, adult interdependent partners, minor children, and any corporation or partnership that the CEO, his/her spouse, or his/her adult interdependent partner controls.

As set out in s.23.932 of the Act, the CEO also must provide a direct associate return to the Ethics Commissioner within 60 days of becoming the CEO or of s.23.932 of the Act

becoming applicable to the CEO.

The CEO must file an updated disclosure or direct associates return within 30 days of any material changes to a previous disclosure or direct associate return. The CEO also must file an updated direct associate return within 30 days of ceasing to be the CEO of Covenant Health.

Post-Employment Restrictions on the CEO

As required by s.23.937 of the Act, for 12 months after the last day they hold their position as CEO, the CEO:

- i) Must not lobby any public office holder, as defined in the *Lobbyists Act*;
- ii) Must not act on a commercial basis or make representations on behalf of any party in connection with any ongoing matter in connection with which the CEO directly acted for or advised a department or public agency;
- iii) Must not make representations with respect to or solicit or accept on his/her own behalf a contract or benefit from a department or public agency with which the CEO had a direct and significant official dealing; and
- iv) Must not accept employment with an individual, organization, board of directors, or equivalent body of an organization with which the CEO had direct or significant official dealing.

The CEO may apply to the Ethics Commissioner for a waiver or reduction of a time period to these restrictions.

Covenant Health Policies and Procedures:

- III-15, *Conflict of Interest*
- III-20, *Relationships with Industry*
- I-30, *Ethical Decision-Making Framework*
- VII-B-5, *Accommodating Special Requests*
- III-70, *Disclosure of Wrongdoing and Protection of Persons who Disclose Wrongdoing*
- III-50, *Intellectual Property*
- X-10, *Confidentiality Agreement and Privacy Training*

Health Ethics Guide

Covenant Health– Our Commitment to Ethical Integrity

Compliance and Business Ethics Program, Covenant Health learning program available on CLiC

References:

“Conflict of Interest Involving Financial or Personal Gain by Physicians,” Health Professions Act, Standards of Practice, *College of Physicians and Surgeons of Alberta*, April 3, 2014. See: <http://www.cpsa.ca/standardspractice/conflict-of-interest/> (Accessed August 16, 2018)

“Alberta Health Services Code of Conduct,” *Alberta Health Services*, (Jan, 2010). See: <https://www.albertahealthservices.ca/assets/about/policies/ahs-pub-code-of-conduct.pdf> (Accessed August 16, 2018).

“Alberta Health Services Conflict of Interest Bylaw,” *Alberta Health Services*, (April 2009). See: <https://www.albertahealthservices.ca/assets/about/bylaws/ahs-byi-conflict-of-interest.pdf> (Accessed August 16, 2018).

October 5, 2018