

Conflict of Interest FAQs

1. *What is a conflict of interest?*

A conflict of interest occurs when there is 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. 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.

2. *Why is it important to discuss conflicts?*

The identification and mitigation of conflicts of interest is critical to our mission of service. We know that it is possible for relationships to affect, or appear to affect, a decision made by Covenant Health and in so doing compromise the reputation and ethical integrity of the organization. That is why it is critical to have processes in place to address conflicts of interest.

3. *What is our history with conflict of interest policies?*

Covenant Health has maintained a "conflicts" policy since its existence as Caritas Health Group.

It is important to note that this is not new. As an organization we have identified the value in proactively addressing conflicts and supporting our staff in principle-based prudential decision making. The environment is always evolving, so our policy also evolves over time.

4. *What is the Conflicts of Interest Act?*

The *Conflicts of Interest Act (Alberta)* is legislation designed to promote integrity and impartiality of public agencies. The Act seeks to avoid conduct that violates the public trust or creates a conflict of interest or apparent conflict of interest. Covenant Health has been deemed a public agency for the purposes of the *Conflicts of Interest Act*.

5. *When am I acting on behalf of Covenant Health?*

The key to identifying whether you are acting on behalf of Covenant Health is to address the following key questions:

- Are you acting for, or on behalf of Covenant Health? or;
- Are you directly or indirectly controlling or directing Covenant Health funds? or;
- Are you authorized to bind Covenant Health to an agreement?

If the answer is "yes" to any of these questions, you are acting on behalf of Covenant Health. It is also critical to also ask not just what role you think you are acting in, but also what role does the person you are interacting with think you acting in? This question is important to address perceived conflicts of interest.

6. *What do I do if I experience a conflict of interest?*

Covenant Health has developed a procedure that applies to handling conflicts of interest. The full procedure is available in our policy on CompassionNet at:

https://www.compassionnet.ca/Policy/20190423_Policy_III-15ConflictofInterestApril2019.pdf

The policy promotes the principle of subsidiarity - resolving the source of conflict at its source. Where this solution may not be appropriate the policy highlights other options for reporting and resolution of potential conflicts.

7. *What does this mean for my current practice?*

The policy promotes the following:

- A balanced, reasoned approach;
- Affirmation of the role of industry, but need to preserve integrity of professional and clinical judgment;
- Acknowledgment of the issues – get people talking/reflecting on their behaviour;
- Exercise of a prudential judgment;
- An expectation that people will be able to defend their decision-making;
- Compliance with law.

Staff are expected to demonstrate these values as part of their decision making processes on behalf of Covenant Health.

8. *How can I recognize a conflict of interest?*

According to our policy a primary principle is, “Personnel shall not use the organization’s resources to engage in activities which are of personal benefit or financial gain.” Recognition of a conflict between a personal benefit and organizational interest is critical to identifying conflicts.

Recognition of conflicts has implications:

- For health care organizations who employ or privilege personnel who act in their name;
- For Catholic health care organizations, especially given our longstanding tradition in serving the poor, and commitment to the common good;
- For Covenant Health in particular. How do our relationships with industry align with our values of social justice, stewardship, integrity, collaboration?

9. *What should I consider before accepting a gift?*

Exchange of gifts and favours (including entertainment) are part of ordinary human behaviour and business practices, and are not, in themselves inherently wrong. Business gifts can build goodwill and strengthen business relationships. Our Covenant Health value of collaboration assumes that there will always be a give and take in any relationship, and by working respectfully together with industry can help achieve mutually beneficial ends, including the furthering of our mission and vision in provision of quality health care.

What is problematic is when receipt of gifts, no matter how small, can influence or compromise our professional or clinical judgment. Our staff are expected to exercise prudential judgment when making decisions about accepting gifts.

10. What are important factors to consider in exercising prudential judgment?

Practically speaking, it is unrealistic to completely insulate oneself from all influences, whether it comes in the form of a gift, compliment, or personal favour. As social beings, we will always need to evaluate whether our actions are free from influence. We are more likely to preserve personal and professional integrity by paying attention to our behaviour in everyday matters, which can serve to strengthen personal resolve when facing more significant pressures.

It is in this way that we act with prudence – reflecting on the consequences of our actions before committing to acting. It also means reflecting on our actions after and being honest with oneself when boundaries may have been compromised, reviewing under what circumstances, and by what particular influences.

11. What are the gifting thresholds?

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

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

12. What is the difference between a “gift” and “event attendance”?

A “gift” is any item of value, regardless of amount, provided free of charge and not part of a contracted purchase. Example: a sponsor drops off a gift basket at Christmas time.

“Event attendance” is a particular form of gift whereby the recipient attends an event. This form of gift is often for the purposes of relationship building. For example, a vendor provides two hockey tickets.

13. What sort of gifts might be inappropriate?

Gifts of cash or cash equivalent (gift card) are not appropriate. Additionally, gifts that are not part of a normal exchange between friends or as part of hospitality among persons doing business may be inappropriate (Example jewelry, extravagant gifts, gifts of an obscene or explicit nature, etc.).

14. When is a personal business interest or other relationship a conflict of interest with my Covenant Health role?

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

- causes an actual or apparent conflict of interest;
- 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;
- materially interferes with regular duties; or
- involves the use of Covenant Health’s premises, equipment, supplies, or assets, unless such use is otherwise authorized.

15. What can I do to manage potential conflicts of interest?

Familiarize yourself with Covenant Health policy and procedures. Declare any conflicts of interest on an annual basis as part of your performance development review as well as at any time that a conflict may arise.

16. What resources are available to learn more?

Covenant Health has developed a Summary Resource Document and Position Statement available at <https://www.covenanthealth.ca/media/123993/summary-resource-document-and-position-statement-ethics-centre-website-version.pdf>.

In addition, CompassionNet Policies & Procedures page has additional resources about Conflicts of Interest: https://www.compassionnet.ca/Policy/20190423_Policy_III-15ConflictofInterestApril2019.pdf

and Relationships with Industry:

https://www.compassionnet.ca/Policy/20190423_Policy_III-20RelationshipswithIndustryApril2019.pdf .

17. Who can I contact if I have questions?

Contact our Chief Mission and Ethics Officer Gordon Self, Gordon.self@covenanthealth.ca or our General Counsel and Corporate Director of Risk Management Josh Stachniak, josh.stachniak@covenanthealth.ca.