Conflict of Interest

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Related topic(s): Advertising and Communicating with the Public, Boundary Violations in the Patient-Physician Relationship, Promotion and Sale of Medical Supplies and Devices, Sale and Dispensing of Drugs

A practice standard reflects the minimum standard of professional behaviour and ethical conduct on a specific topic or issue expected by the College of all physicians in British Columbia. Standards also reflect relevant legal requirements and are enforceable under the Health Professions Act, RSBC 1996, c.183 (HPA) and College Bylaws under the HPA.

Registrants may seek advice on these issues by contacting the College and asking to speak with a member of the registrar staff, or by seeking medical legal advice from the CMPA.
PREAMBLE
This document is a standard of the Board of the College of Physicians and Surgeons of British Columbia.

The patient-physician relationship is fiduciary, where the physician has a legal and ethical duty to act in the best interest of the patient. This includes managing and avoiding situations where conflicts of interest might occur. A conflict of interest arises when a physician’s duty to act in the patient’s best interests may be affected or influenced by other competing interests. Conflicts of interest can be real, potential or perceived. Conflicts of interest may arise in a variety of circumstances including financial, non-financial, direct, and indirect transactions with patients and others. Financial gain by a physician is not necessary to establish a conflict of interest. Additionally, a physician does not need to directly profit from the relationship. A conflict of interest may arise where the benefit is, or could be, accrued by a physician’s family, close friends, corporation or other businesses, and business partners.

This standard addresses circumstances in medical practice, education and research, where there is a high potential for a conflict of interest to occur. Expectations regarding conflicts of interest that may arise from a physician’s relationship with industry are also outlined in this standard. The College has developed this standard in accordance with the CMA Code of Ethics and Professionalism, which states that physicians, in the process of shared decision-making, are to:

24. Avoid, minimize, or manage and always disclose conflicts of interest that arise, or are perceived to arise, as a result of any professional relationships or transactions in practice, education, and research; avoid using your role as a physician to promote services (except your own) or products to the patient or public for commercial gain outside of your treatment role.

COLLEGE’S POSITION
Physicians are expected to take steps to manage and avoid situations where a conflict of interest might occur and, in the event that a conflict of interest arises, disclose this to the patient.

CONFLICT OF INTEREST IN PRACTICE
Common situations which may give rise to a real or perceived conflict of interest include, but are not limited to, the following:

- Promoting and selling products to patients for profit (this must be read in conjunction with the College standard, Promotion and Sale of Medical Supplies and Devices, Sale and Dispensing of Drugs).
- Accepting or offering commissions, rebates, fees, gifts or other incentives related to:
  - patient referrals, or
  - devices, appliances, supplies, pharmaceuticals, diagnostic procedures and therapeutic services.
- Leasing space to or from third parties where the rental arrangement is markedly different from fair market value and/or the lease arrangements are dependent on the volume of business generated by the physician or third party.
- Accepting or offering fee-splitting. Fee-splitting, also referred to as a “kick-back,” occurs when a physician receives payment in return for making a referral. Patients must be able to trust that their physicians will be transparent with them and that they will make treatment recommendations, including referrals, based on the skill of other health-care professionals,
services or facilities to whom the patient is referred, medical needs of the patient, and the quality of products or services provided.

- Referring patients to businesses or facilities where the physician holds a financial interest, including treatment and/or diagnostic facilities. Referring a patient to a facility where the physician has an interest may be acceptable if there are no viable alternatives to meet the patient’s needs.

Physicians must scrupulously avoid situations, real or perceived, where the patient feels unduly pressured or coerced into undergoing a procedure at the referred facility.

Physicians must manage this conflict of interest by ensuring that:

  o the return on a physician’s investment is based on the equity or interest in the facility, and not on the volume of patient referrals made by the physician;

  o prior to referral, the physician fully discloses the interest he/she has in the facility to the patient; and

  o where applicable, the physician provides accurate information about wait times and other considerations for alternate facilities to allow the patient an opportunity to make a fully informed decision about whether or not to proceed with treatment at the referred facility.

**CONFLICT OF INTEREST ARISING FROM CLINICAL RESEARCH**

Although advances in medical care depend on sound clinical research, the pursuit of science by clinical investigators can compromise a physician’s duty to act in the patient’s best interest. The College expects that physicians participating in clinical research have completed the most recent *Tri-Council Policy Statement: Ethical Conduct for Research Involving Humans* (TCPS2) training, and practise strict adherence to the protocols outlined in the TCPS2 modules.

When a physician is offered compensation or reward for participating in clinical research, there is the potential for conflict of interest. While some conflicting interests are inherent in research, such as grants or promotions through research and publication of findings, ethical problems arise if a physician’s personal or financial interest in the research diminishes his/her ability to be objective in the provision of patient care. It is considered reasonable and acceptable for physicians to be compensated at fair market value for any time they spend conducting the clinical research, for loss of income, and for any related expenses they incur during the study.

Physicians must enroll a patient as a participant in research in accordance with the expectations set out in TCPS2. In extreme cases, a lack of objectivity may lead a physician to overestimate the benefits or downplay the risks associated with the research intervention, which can erode patient trust and lessen the integrity of the research.

**Obligations**

Physicians must inform their patients if they will receive a fee for the patient’s participation in a research study.

Before agreeing to participate in clinical research, physicians must ensure that the study has been appropriately evaluated and approved by a recognized and reputable research ethics board that adheres to TCPS2 principles.
CONFLICT OF INTEREST ARISING FROM RELATIONSHIP WITH INDUSTRY

Interactions between physicians and industry may give rise to real or perceived conflict of interest. Physicians must maintain professional independence free from the influence of industry and in the best interest of the patient.

The College adopts and endorses the following principals outlined by the Canadian Medical Association (CMA):

- A physician’s primary obligation is to the patient. Relationships with industry are appropriate only if compatible with the fiduciary nature of the patient-physician relationship.
- The primary objective of professional interactions between physicians and industry must be the advancement of the health of Canadians rather than the private good of either a physicians or industry.
- Relationships between physicians and industry must be guided by the CMA Code of Ethics and Professionalism.
- Physicians must resolve any conflict of interest between themselves and their patients associated with interactions with industry in favour of their patients.

CONFLICT OF INTEREST IN RELATION TO EDUCATION

Conflict of interest related to education may occur in any educational setting where a physician makes an endorsement for personal gain.

Obligations

Physicians involved with educational activities must ensure scientific validity and objectivity of all educational teachings and materials.

Organizers and individual presenters of educational events must disclose to the participants any financial affiliations that may pose as a conflict of interest. All industry contributions must also be declared on educational materials.

Medical curricula and clinical training of learners must not be influenced by physician-industry interactions.

CONCLUSION

If questions or concerns arise about conflict of interest, physicians are encouraged to consult with colleagues, the College and/or the Canadian Medical Protective Association for further direction and advice.

RESOURCES

