

FREQUENTLY ASKED QUESTIONS

THE MEDTECH CANADA CODE OF CONDUCT ON INTERACTIONS WITH HEALTHCARE PROFESSIONALS



Why is there a Medtech Canada Code of Conduct for the Canadian Medical Technology industry?

With the increased interest in accountability, Medtech Canada's member companies ("Companies") and Medtech Canada's Board of Directors want to ensure that there are leading guidelines and standards specific to medical technology companies' interactions with healthcare professionals. Collectively, our Companies and Board support adhering to ethical business practices and socially responsible industry conduct.

Across the medical technology sector and others, attention is being given to codes of conduct or codes of ethics nationally and on a global scale. As many Canadian medical technology companies have head offices in the United States, interest for a "made in Canada" Code of Conduct was initially spurred by the launch of the AdvaMed (i.e. US Medical Technology Association, www.advamed.org) Code of Ethics on interaction with healthcare professionals. Around the same time, MedTech Europe (the European trade association www.medtecheurope.org) launched its Code of Business Practice. With a Canadian-derived approach, Medtech Canada initially launched its Code of Conduct alongside of these organizations in 2005.

Why has Medtech Canada restated its Code?

Medtech Canada's Code of Conduct is designed to be a "living document" that would be reviewed on an annual basis by committee members in the Association. Taking into account the changing business and healthcare environments in Canada and globally, the 2017 version provides an updated framework for the Canadian marketplace that reflects changing conditions.

Why is Medtech Canada's Code of Conduct different than AdvaMed's Code of Ethics and Medtech Europe's Code of Business Practice?

Most certainly, there are similarities found in the guiding principles within each of the industry associations' codes. A "made in Canada" Code however, is required because policies, federal and provincial laws, and regulations that govern our healthcare regimes are different.

Why did Medtech Canada develop a Code distinct from the Innovative Medicines Canada (formerly Rx&D) Code on interactions with Healthcare Professionals?

Medtech Canada's Code of Conduct reflects the unique interactions between medical technology companies and healthcare professionals, just as the Innovative Medicines Canada Code reflects the nature of interactions between pharmaceutical companies and healthcare professionals. The main difference is the "how and why" around needed interaction. Medical technologies depend upon "hands on" interaction between Healthcare Professionals and

Companies from beginning to end – unlike drugs and biologics, which act on the human body by pharmacological, immunological or metabolic means.

Does the Medtech Canada Code offer legal advice?

No. The Code is intended to facilitate ethical behavior, and is not intended to be, nor should it be, construed as legal advice. It is not intended to define or create legal rights, standards or obligations. Companies have an independent responsibility to determine that their interactions with Healthcare Professionals comply with all applicable laws and regulations.

How is the term “Healthcare Professionals” defined?

The term “Healthcare Professionals” is broadly defined with the intent to encompass anyone with material influence over purchasing decisions. The definition provided within the Code includes those “individuals and entities that purchase, lease, recommend, use, arrange for the purchase or lease of, or prescribe Companies’ medical technology products in Canada.” Both clinical and non-clinical people who make product-related decisions of the sort listed are included. There may be laws and other codes applicable to relationships with healthcare professionals, such as those that outline relationships with government employees that will need to be considered.

What are the principles governing company-sponsored product training and education?

Healthcare Professionals require continuing education about medical technologies and therapies, and collaborate with Companies that are committed to providing relevant education. However, education and training must be provided in such a way as to ensure the ongoing independence of Healthcare Professionals. When supporting educational events, Companies need to ensure:

- The primary purpose of the event is to address the education/training needs of the HCP.
- Meals and refreshments should be modest in value.
- Activities primarily promotional in nature should not be considered as educational/training programs.
- Programs and events should be conducted in appropriate learning settings.
- Qualified staff does training.
- Companies may pay for reasonable travel, lodging and meals/refreshment costs incurred by attending HCPs.
- Guests of Healthcare Professionals are not subsidized.

What principles guide support for third-party educational conferences?

Companies may support a variety of educational, scientific or policymaking conferences that promote the advancement of scientific knowledge, medical practice or delivery of effective healthcare.

About conference sponsorships...

Companies may provide conference sponsorships to (a) reduce overall conference costs or (b) allow attendance by Healthcare Professionals to support professional development. Such sponsorships should only be paid:

- To organizations with a genuine educational purpose or function and may be used only to reimburse legitimate expenses for *bona fide* educational activities.



- When such sponsorships are consistent with relevant guidelines established by professional societies or organizations.
- When the conference sponsor is independently responsible for the program content, faculty, and materials. The conference sponsor should be responsible for, and control, the selection of program content, faculty, educational methods and materials.



Industry may NOT provide direct support for HCPs to attend bona fide CME, professional development or third-party educational conferences.

About conference meals/refreshments and expenses...

Meals and refreshments: Companies may provide funding to conference organizer to support the conference's meals and refreshments. Also, they may provide meals and refreshments for all Healthcare Professional attendees, only if it is consistent with the sponsor's guidelines and modest in value.

Faculty expenses: Companies may make grants directly to a conference organizer for reasonable honoraria, travel, lodging and modest meals for HCPs who are *bona fide* conference faculty members.

Advertisements and demonstration: Companies may purchase advertisements and lease booth space for displays at conferences.

What are the guidelines for conducting meetings with Healthcare Professionals?

Companies may conduct sales, promotional and other business meetings with Healthcare Professionals or Government Officials to discuss, for example, product features, contract negotiations and sales terms. Participating at these meetings must not impede on the HCPs or Government Officials ability to maintain autonomy or independence.

Companies may pay for modest meals and refreshments for HCPs or GOs attending meetings and participating in a professional capacity that is conducive to the exchange of information.

Can companies pay Healthcare Professionals for consulting services?

Healthcare Professionals who provide consulting services for Companies including research, serving on advisory boards, or presenting at Company-sponsored training and product collaboration sessions should be compensated for their services. The Code specifies, however, that all consulting relationships be clearly identified as *bona fide* relationships. These should:

- Be in writing, specifying services to be provided and signed by the parties.
- Provide compensation paid to Healthcare Professionals should be at fair market value for services provided.
- Be initiated only where a legitimate need and purpose for the services is identified in advance.
- Be initiated on the basis of the consultant's qualifications and expertise to address the identified purpose.
- Company-sponsored meals, refreshments and meeting venues should be modest in value and subordinate in time and focus to the primary purpose of the meeting.
- Companies may pay for reasonable and actual expenses incurred by consultants including reasonable and actual travel, modest meals or lodging costs.
- Be accompanied by a written research protocol if contracting for research consulting services.

Can a company give gifts to a Healthcare Professional?

Except in very few well defined situations, Companies must not provide gifts to Healthcare Professionals or Government Officials. The only acceptable gift must be occasional and relate to the HCPs practice, benefit patients or serve a genuine educational function and must not be of a personal nature. Examples of gifts allowed are medical textbooks or surgical and anatomical models with a fair market value of \$100 CDN for any one instance.

Companies may occasionally give Healthcare Professionals or Government Officials items of a minimal value (having a fair market value of \$10 CDN or less) such as pens and notepads in the course of a business presentation or training. Gifts must not be given in the form of cash or cash equivalents. (N.B. This section of the Code does not apply to samples or products loaned for evaluation purposes).

It is not appropriate to give gifts to a Healthcare Professional for their significant life events such as marriage, birth or birthday. In the case of a death, each company may make its own determination as to the appropriateness of sending flowers or making a donation subject to the suggested fair market value limit of \$100 CDN or less.

What about grants and other charitable donations?

Companies may make donations for legitimate charitable purpose, such as supporting independent medical research, education or improved healthcare delivery. All donations should be documented.

Are value added requests for proposals and tenders unlawful?

It is not unlawful for healthcare facilities to request "value added" items, grants or donations from Companies in conjunction with a request for proposal or tender process. However, Medtech Canada does not consider all "value added" requests as procurement best practice, unless the "value add" relates to the product and services requested in the request for proposal and are clearly defined (documented).

