



Professional Standards Regarding Interest or Ownership in a Facility or Enterprise

This document is a **standard** approved by Council of the College of Physicians and Surgeons of Nova Scotia.

A **standard** reflects the minimum professional and ethical behavior, conduct or practice expected by the College of Physicians and Surgeons of Nova Scotia. Physicians licensed with the College are required to be familiar with and comply with the College standards.

Preamble

This document deals with specific conflicts of interest that may arise when a physician has financial interest or ownership in a facility or business. This document sets out responsibilities in addition to those set out in the [College's Professional Standards Regarding Conflict of Interest](#).

Professional Standard(s)

Where the physician has a financial interest in a facility or enterprise to which the physician is referring a patient, the physician:

1. must fully disclose any interest the physician has in the facility to a patient prior to any referral to that facility; and
2. must not promote the facility in which the physician has a financial interest to a patient in preference to other facilities offering the same service.

Guiding Examples

The following guiding examples are intended to help physicians interpret this standard. They are not to be considered a complete list of conflicts of interest that may arise due to a physician's ownership or interest in a facility or enterprise.

Examples include:

- referring patients to businesses or facilities where the physician holds a financial interest, including treatment and/or diagnostic facilities.
- being the medical director or having an ownership interest of a licensed marijuana producer, while directing authorized patients to have medical marijuana from that producer.

A word on leasing space:

It has now become commonplace for physicians to lease space from a pharmacy or other healthcare business or organization. These lease arrangements have their own market value. The College does *not* consider it a conflict of interest for a physician to lease space from a pharmacy or other organization at a rate lower than a non-physician might receive. It is not incumbent on physicians to investigate how their lease rates compare to general market value.

With that said, the broader rules of conflict of interest apply to ensure the patients' interests remain paramount. Along these lines, when leasing from a pharmacy, physicians must not preferentially direct patients to the landlord pharmacy. Further, physicians must not accept monies or financial benefit in return for providing business to the landlord pharmacy (or its parent company).

Resources

College of Physicians and Surgeons of Nova Scotia:

- [Professional Standards Regarding Conflict of Interest](#)
- [Professional Standards Regarding Billing](#)
- [Professional Standards and Guidelines Regarding the Sale of Products and Services to Patients](#)
- [Professional Standards and Guidelines Regarding Advertising and Public Communications by Physicians](#)

Canadian Medical Protective Association:

- [Physicians and Research: Understanding the legal, ethical and professional obligations, 2014](#)

Canadian Medical Association:

- [Guidelines for Physicians in Interactions with Industry](#)
- [Canadian Medical Association Code of Ethics](#)

Acknowledgements

In developing this standard, the College incorporated information provided in the policies of the Colleges of Physicians and Surgeons of Ontario, Alberta and British Columbia.

Document History

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