



30 July 2018

The Honourable Adrian Dix
Minister of Health
Room 337 Parliament Buildings
Victoria, BC V8V 1X4

Re: Proposed Health Sector Payment Transparency program

Dear Minister Dix,

Health charities and the health industries across British Columbia and Canada have a history of partnering to offer programs and services to people in addition to those currently provided by government. Diabetes Canada is extremely proud of the breadth of multi-sectoral partners that share our goal to end diabetes. Through these collaborations, people across Canada are able to find some relief from the relentless burden of diabetes and other chronic diseases.

In recent years, partners have become more aware of potential conflicts or perceived conflicts of interest in these relationships. Therefore, we appreciate and agree with the need for transparency in the health care sector.

Diabetes Canada believes that the appropriate level of transparency will help to protect these important partnerships, which have significant benefit to patients, health care and innovation. Through these partnerships, expertise and knowledge are shared with the best interests of patients in mind. These partnerships, which could be either financial or in-kind, are fundamental to the advancement of services, support and cures.

In British Columbia and across Canada, multi-sectoral partnerships have evolved and are based on clear guidelines and formalized through contractual arrangements. Patient groups, health care professional associations and industry have developed robust Codes of Ethics and have even advanced mutually supported processes such as the Canadian Consensus Framework for Ethical Collaboration¹. The relationship continues to evolve and mature in a manner to ensure mutual respect, independence and integrity.

In addition to ensuring an appropriate level of transparency, it is important to avoid creating an administrative burden on the health care system, which is already stressed due to limited resources. Health charities are all under significant human resource and financial pressure and care must be taken not to siphon important resources away from their core activities.

¹ http://innovativemedicines.ca/wp-content/uploads/2016/06/IMC_CONSENSUS_2016_HR_nobleed.pdf



Implementing a Health Sector Payment Transparency program has the potential to create a significant burden on health charities and to put them at financial risk. We are concerned that an excessive level of reporting will actually harm the arms-length, independent and unrestricted nature of the relationship. Great care has been taken to mitigate any potential inappropriate influence through checks and balances. Tracking all transfer of value over \$25 or \$100 could have an unintended consequence of changing the independence.

We understand that the intent would be for the payor to be responsible to track all transfer of value payments to specified recipients. Diabetes Canada would be both a recipient and in some cases an intermediary – multiplying the administrative burden as funds are received and transferred.

Our national organization has offices across the country. Each of our regional offices interact with many payors, including: providing support products, and sponsorships at educational events, fundraisers, and support groups and others. At the national level, payors may provide Diabetes Canada with grants for research or other initiatives, and support for programs. As a recipient, we will need to maintain our own tracking system to be able to validate the information provided to us by the payor before it is published by the government. We ourselves may contract certain health care professionals and given we are a national organization, we function throughout the country. We will receive multiple requests from multiple payors and this could create an unmanageable task.

There are several more concerns and questions including but not limited to:

- The direct funding of initiatives or services could publicly appear the same as unrestricted grants for peer-review funding. These are not the same types of funding and should be made transparent to the public.
- What would be the mechanism that payors will seek confirmation from recipients: a letter with a single listing of all draft transfer payments; a database of draft transfer payments; or multiple requests for confirmation throughout the year?
- Would there be a single process, or multiple processes for various payors to recipient?
- Will there be a mechanism for dispute resolution between payor and recipient? To whom do recipients take disputes if we do not agree with the listed payments?
- In the case of multiple payors sponsoring a Diabetes Canada program (consisting of many initiatives), would Diabetes Canada be responsible for calculating the dollar value for each payor for each program, and reporting back to the payor? Again, what occurs if there is a dispute in this calculation?



The administrative burden on Diabetes Canada and other charities could be significant. While we support the spirit of transparency, the Government has a responsibility to ensure balance for our organization and others to enable us to provide this information without drawing significant resources away from the people we serve.

Diabetes Canada appreciates participating in the consultation session on 17 July 2018 and respectfully requests ongoing discussion so that the spirit of transparency can be fulfilled in a model that does not place undue burden on health charities, including Diabetes Canada as we work with multiple stakeholders towards our goal to end diabetes.

Thank you for your consideration, Minister Dix. If you or your Ministry has any further questions, please do not hesitate to contact Joan King, Director of Government Relations – Western Canada 780 423-5722, ext. 1211 or joan.king@diabetes.ca.

Sincerely,

Sheila Kern
Regional Director, BC & Yukon
Diabetes Canada

cc: HLTHPSDCORR@gov.bc.ca