

# DECEMBER 2015 COUNCIL MEETING

*As recorded following Council's regularly scheduled meeting held at the College offices on December 7, 2015.*

## **NEW CODE OF ETHICS FOR PROFESSION OF PHARMACY APPROVED**

Following an extensive collaboration and consultative process, a new Code of Ethics for the profession of pharmacy in Ontario was approved by Council. Amendments to the [Code of Ethics](#) (the Code) were required because the last significant update to the Code happened 20 years ago, and pharmacy practice has evolved significantly over the past two decades.

The role and purpose of a Code is to:

- 1) Outline the ethical principles and standards by which healthcare professionals are guided and held accountable;
- 2) Serve as a resource for education, self-evaluation and peer review;
- 3) Provide a benchmark for monitoring and addressing conduct of healthcare professionals; and
- 4) Serve as an educational resource for the public outlining the ethical obligations of the profession.

Although practice expectations have not changed in the new Code, it now more appropriately addresses current practice and clearly establishes the standards of ethical conduct for pharmacists and pharmacy technicians in Ontario, regardless of their practice setting.

Given the importance of the Code of Ethics as a foundational document for the profession, Council also approved a requirement for all members to declare that they have read and understood the Code in 2017. To assist members and other stakeholders, a comprehensive communications plan including educational resources will be put in place by College staff. More details regarding this will be communicated to the profession in the coming months.

The new Code is now in effect.

## **BY-LAW #4 APPROVED BY COUNCIL**

In September 2015, Council approved proposed amendments to By-law No. 3 for public consultation. The amendments supported changes to the *Drug and Pharmacies Regulation Act* (DPRA) regulation, ongoing transparency initiatives within the College, and changes in the organizational structure and fees for the College.

Council considered 77 responses received during the consultation — including responses from organizations such as the Ontario Hospital Association (OHA), a Local Health Integration Network (LHIN) representing 25 hospitals in the North East region, the Ontario Pharmacists Association (OPA), and the Ontario Branch of

the Canadian Society of Hospital Pharmacists (CSHP-OB).

The majority of respondents expressed disagreement with the proposed fee structure for hospital accreditation. It was felt that the fees were too high in relation to fees paid by community pharmacies and did not take into consideration a hospital's size, complexity, budget, services offered, or number of staff. As a result of the feedback, and following a review of the hospital inspection program and associated costs, Council approved a reduction to fees for hospital pharmacies.

The College's original proposal for hospital accreditation fees recommended opening fees of \$6,000 and annual renewal fees of \$5,000. The rationale for these fees was to recover the costs directly attributed to the hospital inspection program and included a flat rate for hospital pharmacy accreditation, regardless of the number of beds in the hospital or services provided.

The new fees for hospital pharmacies are now set at \$4,000 at opening (\$2,000 for application and \$2,000 for issuance of a Certificate of Accreditation) and annual renewal fees of \$3,500.

All other proposed amendments to the by-law were approved as circulated.

The by-law has been renamed to [By-Law No. 4](#) and is now in effect.



Photos by DW/Dorken

Hospital accreditation fees will come into effect upon the proclamation of the amended DPRA regulation.

**COUNCIL DEBATES SHAREHOLDER/ OWNERSHIP REQUIREMENTS FOR PHARMACIES**

In September 2015, Council tabled a motion that had been brought forward regarding proposed amendments to the shareholding requirements under the *Drug and Pharmacies Regulation Act (DPRA)*.

Staff were directed to provide further background information and clarity on the issue to the Executive Committee to bring forward at the December Council meeting. The DPRA requires all corporations that operate pharmacies to have pharmacists/ members hold the majority of shares and the majority of director positions. It goes on to exempt corporations that operated a pharmacy as of May 14, 1954 from the majority shareholding requirement.

A broad review was undertaken to determine whether the current ownership structure of corporations operating pharmacies had an impact on the public’s interest. It was noted that over the years, Council has discussed the issue of ownership, and that each time, no changes were recommended.

In 2001, Council approved a recommendation that would enable the College to hold all corporations who own or operate pharmacies in Ontario equally accountable, regardless of ownership structure. The concept of ‘proprietary misconduct’ was introduced, which would give effect to such enforcement capability. Retaining the requirement to have a majority of the directors be pharmacists was determined to provide an added layer of accountability. Again, the Council of the day considered that, in the absence of any public safety issues — which is in the College’s mandate — any proposal to make changes to ownership provisions would more appropriately be made by the association or individual lobbyists.

At the December 2015 meeting, Council considered a series of questions to help focus on the risk being managed by the two classes of pharmacy ownership and ultimately determined that the College should continue to rely on the existing regulatory framework that holds all corporations that operate pharmacies equally accountable, as there is no evidence that the current ownership structure presents a risk to the public within the context of the College’s mandate.

Council further considered whether it was necessary for the College to scrutinize the conduct

of shareholders as well as directors when determining if a corporation is suitable to operate a pharmacy. A question was raised as to what value shareholding scrutiny adds given the provisions under the DPRA that permit the College to hold the Designated Manager (DM) and/or the directors and/or the corporation itself accountable for failing to operate a pharmacy in accordance with the requirements. Furthermore, a recent jurisdictional review confirmed that, other than Quebec, no other province has a shareholding requirement for corporations operating a pharmacy. Character screening is also not performed in any other jurisdiction.

With this background in mind, Council agreed that it would be appropriate to discuss the removal of the reference to shareholders from the applicant qualification with the Ministry of Health and Long-Term Care. This approach would equalize the measures taken by the College for both pre and post-1954 corporations. **PT**

**NEXT COUNCIL MEETING**

Tuesday, March 29, 2016

For more information respecting Council meetings, please contact Ms. Ushma Rajdev, Council and Executive Liaison at [urajdev@ocpinfo.com](mailto:urajdev@ocpinfo.com)