

# White Paper

Because InCare is a provider of comprehensive senior services, is there a Conflict of Interest with InCare also operating the StayUA program?

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1. **Important point to remember is that StayUA is an experiment.** StayUA is an experiment and was intended for all concerned to learn if a service coordinator attached to a fire department could reduce the 911 calls for frail seniors. The intention of the program at its core is service coordination, linking UA residents to appropriate services. While the program appears to be successful in this initial stage, the program is still very much a pilot. Better measurements of outcomes are needed and are vital to determine real cost and benefits. We also must be sensitive to conflict of interest issues. Criticism that the program presents at a minimum the appearance of a conflict is important feedback. These issues and others are part of the learning process.
2. **What is a conflict of interest?** "We can define a conflict of interest as a situation in which a person has a private or personal interest sufficient to appear to influence the objective exercise of his or her official duties as, say, a public official, an employee, or a professional." *Source: Chris MacDonald, Michael McDonald, and Wayne Norman, "Charitable Conflicts of Interest", Journal of Business Ethics 39:1-2, 67-74, August 2002. (p.68)*
3. **Is the InCare relationship a conflict?**
  - a. It is NCR's opinion that the InCare relationship with the city is not a conflict of interest. As with a hospital that offers many health care options to their patient or a doctor who recommends another visit to his office for care, however, there is always the possibility of unethical practices.
  - b. The safeguards against unethical practices which are currently in effect at InCare are fourfold.
    - i. Training and supervision of our professional staff on ethical practices
    - ii. Strict adherence to NCR's pillars of ethics
      1. full disclosure
      2. Presentation of options
      3. Never mandatory, always optional—freedom of choice
    - iii. Oversight by an outside advisory board
    - iv. As a 501 (c) 3 nonprofit organization, NCR is governed by a community based volunteer board of directors
4. **Options to avoid the appearance of a conflict of interest with InCare and StayUA**
  - a. InCare could step out of its role in StayUA and the program be terminated.
  - b. UA could bid out the contract under a public Request for Proposals process; this would result in UA selecting a preferred provider.
  - c. Require that StayUA be administered only by an organization that provides no other services.

- d. Require a high standards of ethics.

**5. Recommendation**

- a. Adopt a high standard of ethics. Fortunately, standards have already been developed. Hospitals for example have dealt with the appearance of a conflict of interest in similar situations. The Inspector General of the U.S. Department of Health and Human Services developed standards in 1997 with respect to Medicare hospital discharge planning. Concerns were expressed at that time that hospitals which sponsored home health agencies could unduly influence referrals of patients to their own agencies. The Inspector General recommended a process of full disclosure, patient education, and freedom of choice. These guidelines have been generally accepted throughout the industry over the past 12 years. They are the very keystones of InCare's current practices and should be adopted for StayUA.
- b. For StayUA we recommend that written standards of ethics be distributed to each client which includes
  - 1. Full disclosure of the relationship and possible conflict of interest
  - 2. A comprehensive offering of services available from other organizations
  - 3. A clear statement that all services recommended by the service coordinator are always voluntary, always optional and never mandatory!
- c. An ethics committee to review ethical practices.
- d. Maintenance of a registry of alternative providers which will be required to be distributed to each client.
- e. Annual public disclosure requirements.
- f.

**6. Future Funding**

- a. The StayUA pilot is also providing important insight into possible funding resources for such a program. We are very optimistic that long term funding sources are available because of the need and this unique approach.