

Internal Review

**Ministry of Health, Pharmaceutical Services Division,
Research and Evidence Development**

**July 18, 2012
Draft V2**

1.0 Introduction

Background

The Office of the Auditor General (OAG) contacted the Assistant Deputy Minister (ADM) of Financial and Corporate Services, Ministry of Health (MoH) on March 28, 2012 to advise that an allegation had been received by their office concerning inappropriate procurement, contracting irregularities and research grant practices in the Research and Evidence Development section of the Pharmaceutical Services Division (PSD), MoH.

Additional concerns were also alleged regarding inappropriate data access arrangements, intellectual property infringement, and code of conduct conflicts with employee contractor relationships including preferential treatment. At that time MoH undertook a preliminary review. As a result of the preliminary review, MoH determined that further investigation was warranted and decided to undertake a more detailed review of the allegations. A team comprised of representatives from the government Chief Information Office, and the Financial Services Division, MoH was tasked with this assignment. The review was conducted to ascertain current practices and to assess if government policy, procurement practices and codes of conduct were being followed.

1.2 Purpose

The purpose of this review included:

- To provide findings related to allegations,
- To determine if Government's contracting and research grant practices, standards of conduct, data access arrangements and approval processes are being followed by the Research and Evidence Development section of the PSD, MoH: and
- To identify opportunities and make recommendations to improve contracting, granting, and data access practices in the Research and Evidence Development section of PSD, MoH..

Contained herein are the findings of this internal review and preliminary recommendations.

2.3 Approach

The actions taken as part of the review process as outlined in the terms of reference included as Appendix 1 are follows:

- Review of all PSD STOB 60 and 80 contracts and grants,

- Review of all cell phone bills, expense reports and government assets of related parties,
- Review of academic publications related to parties,
- Review of electronic communication between parties,
- Analysis of project-related documents and information provided by interviewees,
- Review of relevant human resource information, and
- Review of data access processes and documentation related to relevant contracts and projects.

To inform the review, interviews were held in person or via telephone with the following MoH employees and contractor:

s.22

The University of British Columbia and University of Victoria have also been advised of the review related to contracts involving:

s.22

Meetings have also been held with:

- Bill Ehmann, John Tuck, Norm MacPhee, and Andrew Mickelson, Counsel, Legal Services Branch, Ministry of Justice ,
- Sara Brownlee and Sarah Campbell, Labour Relations, Public Service Agency (PSA), and
- Dan Peck, Stacy Johnson and Gordon Wong, Office of the Comptroller General (OCG).

Attached as Appendix 2 is a relationship diagram of all parties and organizations included in this review.



2.0 Key Findings

The following is a summary of findings based on the review of procurement practices, grant awards and contracting, data access and related agreements and intellectual property in the Research and Evidence Development section of the Pharmaceutical Services Division, Ministry of Health as outlined in the approach section.

Appendix 3 and 4 provide a glossary of terms and acronyms related to this review.

2.1 Contract Management and Grants

The following Issues have been identified regarding the arranging, awarding and subcontracting of contracts in the PSD Research and Evidence Development and Drug Use Optimization Branches (there is no evidence that the issues identified go beyond this branch of PSD:

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2.2 Data Access and Use

The following findings were identified relating to the use and access to data:

- Processes for data access are not always followed and there is a lack of documentation for projects.

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- Lack of project specific information in contracts is enabling open use of data for projects without appropriate specific guidelines or monitoring in place.

2.3 Standards of Conduct

The following issues relating to breaches of the Standards of Conduct for the BC Public Service

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3.0 Recommendations

1. s.22 contract through MSD identified through this review be cancelled.
2. That the IDIR accounts for external research contractors through universities be cancelled and that they be required to return any other government assets.
3. All contracts involving use of data must have an approved ISA attached.
4. All data access for projects identified in this review led by PSD be suspended and MoH will work with the applicants to confirm the appropriate data use policy, provisions and practices are in place.
5. All future data access is granted for only a specific project or identified evaluation contract, not for open data usage.
6. Health Sector IM/IT Division (HSIMIT) streamline their processes for providing data access. so that data clients do not circumvent data access procedures.
7. HSIMIT enhance the compliance and monitoring function for data access.
8. Implement policies to address the potential for any future incidents of non-compliance or inappropriate data access and consequences of such action.
9. That the Public Service Agency (PSA) conducts an investigation and review into the Standard of Conduct breaches as identified by this review.

10. PSD employees should all undertake retraining related to contract management practices and the Standards of Conduct for the BC Public Service.

Appendix 1 – Terms of Reference

1.0 Overview

This document outlines the objectives, scope, approach and deliverables associated with a review of procurement, grant awards and contracting, data access and related agreements and intellectual property practices in the Research and Evidence Development section of the Pharmaceutical Services Division, Ministry of Health. Once the review is complete, a final report will be produced that will include a summary of findings including current practices, policies and procedures and recommendations.

2.0 Background

The Office of the Auditor General contacted the ADM of Financial and Corporate Services, MOH to advise that an allegation report was received by their office concerning inappropriate procurement, contracting irregularities and research grant practices, in the Research and Evidence Development section of the Pharmaceutical Services Division, MOH. In addition concerns were also alleged regarding inappropriate data access arrangements, intellectual property infringement, and code of conduct conflicts with employee contractor relationships including preferential treatment. The MOH has decided to conduct a review of these allegations to ascertain current practices and to assess if government policy, procurement practices and codes of conduct are being followed.

3.0 Review Objectives:

The objectives of this review are to:

- Ensure Government's contracting, research grant practices, data access arrangements and approval processes are in place and being followed by the Research and Evidence Development section of the PSD, MOH
- Provide all findings and facts relating to allegations being reviewed.
- Identify opportunities to improve contract management, granting, research and data access practices in the Research and Evidence Development section of PSD, MOH

4.0 Scope

4.1 In Scope

- Current and historical contracting, research grant and data access practices of the Research and Evidence Development section of PSD, MOH
- Review of roles, responsibilities, and relationships of s.22
- Data access and data sharing arrangements between employees, contractors and post-secondary research institutions focusing primarily on Research and Evidence Development section, PSD, MOH, University of Victoria and University of BC.

s.22

- Government's processes, policies and practices related to areas of review especially any legislative, corporate, core policy and requirements.

4.2 Out of Scope

- Matters pertaining to other business areas of PSD, MOH;
- Matters pertaining to the management of personnel.

5.0 Major Deliverables

A final report including:

- Summary of review and findings;
- Recommendations to address any concerns identified
- Review and identification of employee and contractor data access permissions, and audit trails to monitor such access;

6.0 Approach

The approach may include:

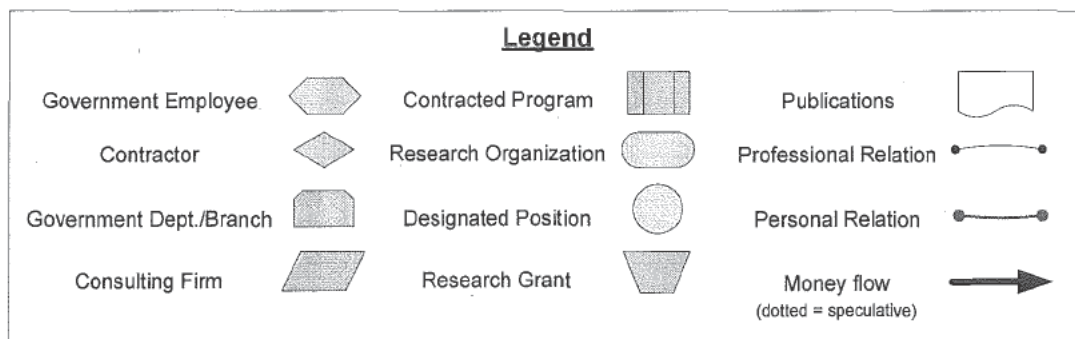
- a) Gathering documentary evidence;
- b) Surveying legislation, policies, practices, systems protocol;
- c) Meetings and interviews with involved parties and government officials;
- d) Meetings with universities participating in any research with program area
- e) Review of all contracts, grants and funding provided by the program;
- f) Review of all information sharing agreements, data access and intellectual property agreements;
- g) Review of employee/contractor relationships
- h) Ongoing liaison with affected parties once the review is complete and the report released.

7.0 Target Audiences / Participants

- ADM Pharmaceutical Services Division, MOH
- ADM Health Sector IM/IT CIO, MOH
- ADM Corporate and Financial Services, MOH.
- Employees and Contractors identified from the Research and Evidence Development section PSD, MOH
- Team members from the Corporate and Financial Services Division, MOH
- Staff in SPMIDS and Privacy and Legislation Health Sector IM/IT
- Forensics Investigation Unit, OCIO, Information Security Branch
- OAG and OCG
- Research Areas at UBC and UVIC working with this business area MOH

Appendix 2 – Relationship Web

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Appendix 4 – List of Acronyms

s.22

ADM Assistant/Associated Deputy Minister

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IP Intellectual Property

ISA Information Service Agreement

MoH Ministry of Health

OAG Office of Auditor General

OCG Office of the Comptroller General

s.22

PSA Public Service Agency

PSD Pharmaceutical Services Division

RFP Request for Proposal

s.22

TUA Transfer under Agreement

UBC University of British Columbia

UVic University of Victoria

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Additional concerns were also alleged regarding inappropriate data access arrangements, intellectual property infringement, and code of conduct conflicts with employee contractor relationships including preferential treatment. At that time MoH undertook a preliminary review. As a result of the preliminary review, MoH determined that further investigation was warranted and decided to undertake a more detailed review of the allegations. A team comprised of representatives from the government Chief Information Office, and the Financial Services Division, MoH was tasked with this assignment. The review was conducted to ascertain current practices and to assess if government policy, procurement practices and codes of conduct were being followed.

1.2 Purpose

The purpose of this review was:

- To provide findings related to allegations,
- To determine if Government's contracting and research grant practices, standards of conduct, data access arrangements and approval processes are being followed by the Research and Evidence Development section of the PSD, MoH and
- To identify opportunities and make recommendations to improve contracting, granting, and data access practices in the Research and Evidence Development section of PSD, MoH.

Contained herein are the key findings of the internal review and preliminary recommendations.

2.3 Approach

The actions taken as part of the review process as outlined in the terms of reference included as Appendix 1 are as follows:

- Review of all PSD STOB 60 and 80 contracts and grants.
- Review of all cell phone bills, expense reports and government assets of related parties,
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2.0 Key Findings

The following is a summary of findings based on the review of procurement practices, grant awards and contracting, data access and related agreements and intellectual property in the Research and Evidence Development section of the Pharmaceutical Services Division, Ministry of Health as outlined in the approach section.

Appendix 3 and 4 provide a glossary of terms and acronyms related to this review.

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2.3 Standards of Conduct

The following issues relating to breaches of the Standards of Conduct for the BC Public Service

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3.0 Preliminary Recommendations

1. s.22 contract through MSD identified through this review be cancelled.
2. That the IDIR accounts for external research contractors through universities be cancelled and that they be required to return any other government assets.
3. All contracts involving use of ministry data must have an approved Information Sharing Agreement attached.
4. All data access for projects identified in this review (led by PSD) be suspended and MoH will work with the applicants to confirm that the appropriate data use policy, provisions and practices are in place.
5. All future data access is granted for only a specific project or identified evaluation contract, not for open data usage.
6. Health Sector IM/IT Division (HSIMIT) streamline their processes for providing data access so that data clients do not circumvent data access procedures.
7. HSIMIT enhance the compliance and monitoring function for data access.
8. Implement policies to address consequences for any incidents non-compliance or inappropriate data access and consequences of such action should it ever occur.
9. That the Public Service Agency (PSA) conducts an investigation and review into the Standard of Conduct breaches as identified by this review.
10. PSD employees should all undertake retraining related to contract management practices and the Standards of Conduct for the BC Public Service.

Appendix 1 – Terms of Reference

1.0 Overview

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- Identify opportunities to improve contract management, granting, research and data access practices in the Research and Evidence Development section of PSD, MOH

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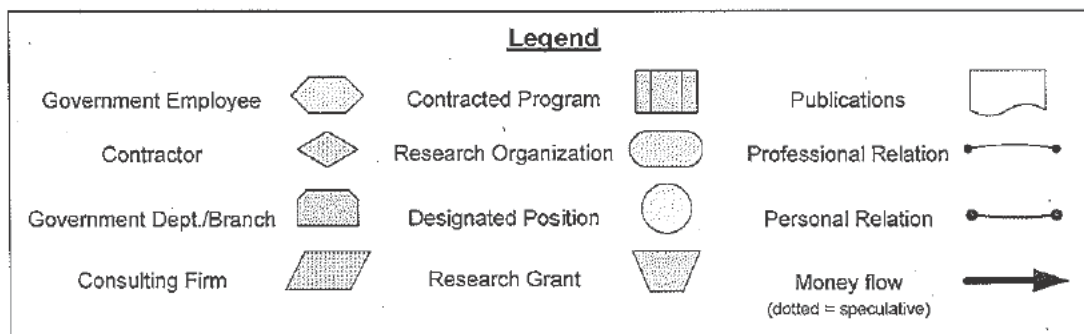
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- e) Review of all contracts, grants and funding provided by the program;
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RFP Request for Proposal

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TUA Transfer under Agreement
UBC University of British Columbia
UVic University of Victoria