

# SCENARIO

## GIFTS AND BENEFITS

### Free trial with benefits

A senior medical specialist was offered a free trial of expensive medical technology to use at the public hospital. He received a free trip to Melbourne and a weekend at a five-star hotel, where the medical technology was explained and training provided. He did not tell anyone or formally declare this, as he thought it was best to explore the possibilities before deciding whether to use the technology or not.

He begins using the equipment on patients without reference to senior management or senior clinical staff. The new equipment is not maintained by the Bio-Medical Engineering Department and, if purchased, is likely to create dependencies and on-going maintenance and service costs.

### What are the ethical issues in this situation?

- Acceptance of gifts and benefits.
- Potential for influence on decision-making by the supplier, or building of favour with them.
- Could be a misuse of public resources and failure to follow law (procurement procedure).
- Risk to the reputation of the hospital if patients are harmed.
- Potential public liability issues.

### What part of the ethical framework failed?

- The free trip to Melbourne and the accommodation were gifts that should have been treated as a monetary value and should not have been accepted.
- The situation should have been managed upfront using the public authority's gifts and benefits policy and procedure.
- The costs of using the new equipment were probably not within the specialist's financial delegation and he should have sought approval from the correct level of delegation at the hospital.



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## What strategies could be implemented to prevent this in the future?

- Offers of gifts, benefits and free trials are common place in the medical and pharmaceutical industries. An agency in this field needs to have clear policies and procedures to manage these aspects, and these need to be regularly reinforced with staff.
- Prior approval needs to be obtained at the right level (in terms of financial delegation) for equipment. On going maintenance costs and dependencies also need to be budgeted for.
- A code of conduct and policy that is well-known and accessible to staff.
- Gifts and benefits register that is publically available and regularly reviewed by senior management.