

EUROPEAN HEALTHCARE FRAUD AND CORRUPTION NETWORK

Paper to the European Healthcare Fraud and Corruption Network Conference 2005

CONFERENCE PAPER 02

A proposed Constitution for the European Healthcare Fraud and Corruption Network

INTRODUCTION

1. The European Healthcare Fraud and Corruption Network ('the Network') agreed at its first Conference a European Healthcare Fraud and Corruption Declaration ('the Declaration') - which called for the creation of a European Healthcare Fraud and Corruption Office ('the Office') to develop and coordinate healthcare counter fraud and corruption work across Europe.
2. This initial work identified in the Declaration has been undertaken by members of the Network via six Working Groups.
3. Working Group 6 has been undertaking work to prepare a Constitution for the network.
4. Working Group 6 considered a draft Constitution at its meeting of 27 May. Many positive suggestions were made and these were subsequently incorporated into a revised draft Constitution. The Network Steering Group meeting in Krakai of 9 / 10 June then discussed the draft Constitution and agreed it for recommendation to Conference 2005 subject to some further valuable suggested amendments which were incorporated. This final draft of this paper has been agreed by the Network Steering Group meeting in Madrid of 12 / 13 September.
5. It is proposed that the European Healthcare Fraud and Corruption Network adopt the Constitution that is attached at Annex A to this paper.

RECOMMENDATION

6. **That Conference notes Conference Paper 02 and agrees to adopt the proposed Constitution as in Annex A.**

EUROPEAN HEALTHCARE FRAUD AND CORRUPTION NETWORK

Constitution

1. NAME OF THE ORGANISATION

- 1.1. The organisation shall be known as the "European Healthcare Fraud and Corruption Network" (EHFCN), hereinafter 'the Network'. The Network is incorporated in [The name of the relevant country to be entered after the debate on the location of the EHFC Office at Conference] under relevant legislation and will be a non-profit making organisation.
- 1.2. Headquarters of the Network are located at [The name of the relevant country and town to be entered after the debate on the location of the EHFC Office at Conference].

2. AIM

- 2.1. To improve European healthcare systems by reducing losses to fraud and corruption, which in turn will produce savings and social benefits through more cost effective delivery of patient care.

3. OBJECTIVES

- 3.1. To support member organisations in their work :
- 3.1.1 To create a real **Anti-Fraud** and **Anti-Corruption Culture** within healthcare systems among service providers, healthcare suppliers, healthcare payers, healthcare users and ultimately among all EU citizens.
- 3.1.2 To use all possible presentational and publicity opportunities to act as a **Deterrent** to those who are minded to engage in healthcare fraud or corruption.
- 3.1.3 The use of effective **Prevention** systems so that when fraudulent or corrupt activities are attempted, they will fail.
- 3.1.4 The use of **Detection** systems that will promptly identify occurrences of healthcare fraud and corruption.
- 3.1.5 The professional **Investigation** of all cases of detected or alleged healthcare fraud and corruption.
- 3.1.6 The imposition, where healthcare fraud or corruption is proven, of appropriate **Sanctions** – namely criminal, civil and/or disciplinary processes. Multiple sanctions should be used where possible.

- 3.1.7 The seeking of financial **Redress** in respect of resources lost to fraud and corruption and the return of recovered resources (and the costs of recovering those resources) to the area of patient care or services for which they were intended.

4. GENERAL APPROACH

- 4.1. The Network will seek to develop innovative strategic solutions to tackle the problems of healthcare fraud and corruption and will promote joint working, sharing of good practice and the development of common working standards.
- 4.2. The Network will collaborate, on behalf of its members, with the European Union and its affiliates and agencies, the World Health Organisation and its agencies, and other international and national public organisations or private agencies which have an influence on health in Europe.

5. SPECIFIC ACTION

- 5.1. The Network will take action, including that to
- 5.1.1 develop and maintain common professional training and qualifications for those engaged in countering healthcare fraud and corruption
 - 5.1.2 develop and maintain a European common standard of risk measurement, to track progress in reducing losses to fraud and corruption throughout the EU
 - 5.1.3 ensure that the highest professional standards are met within this field
 - 5.1.4 design effective propriety checks for all those Counter Fraud and Corruption Specialists who work within the EU
 - 5.1.5 develop and maintain a secure website dedicated to the development of work on the objectives as listed above and to act as an international reference point on these issues
 - 5.1.6 develop and maintain a communication system of alerts concerning types and methods of fraudulent and corrupt activities
 - 5.1.7 inform the European Commission and the High Level Group on Health Services and Medical Care of the outcomes of this work and request them to include anti-fraud and corruption activities in their programme of co-operation in healthcare

- 5.1.8 organise an annual European Healthcare Fraud and Corruption Conference to report and discuss the development of fraud and corruption issues
- 5.1.9 exchange information on how best to focus the systems of service provision and transaction procedures on actively combating fraud and corruption in healthcare
- 5.1.10 establish and maintain a European Healthcare Fraud and Corruption Office (EHFCO) - a not for profit, centre of excellence for counter fraud and corruption work
- 5.1.11 facilitate the exchange of staff between members to encourage learning and the sharing of information
- 5.1.12 undertake research to identify the most efficient methods and optimum legal arrangements to minimise healthcare fraud and corruption within the shortest possible timescale
- 5.1.13 emphasise the commitment to minimise fraud and corruption in the healthcare industry and the industries connected with the healthcare sector and allow the exchange of experience and information
- 5.1.14 circulate information, examples of best practice and intelligence to its members
- 5.1.15 disseminate anti-fraud and anti-corruption results achieved within each Member State's healthcare system

6. LANGUAGE

- 6.1. The languages recognised as the official languages of the Network are English, German, French and Spanish. Working languages for specific activities shall be decided on an 'ad hoc' basis.

7. MEMBERSHIP

- 7.1. **Corporate Membership** of the Network shall be open to organisations which, in the judgement of the Network, are committed to the pursuit of the Aim, Objectives and General Approach as described in this Constitution. The judgement of the Network will be exercised through its Executive Committee and Annual Conference.
- 7.2. The Executive Committee's judgement on the acceptability or otherwise of an applicant to become a Corporate Member can be overturned by the Annual Conference where two thirds of delegates support a relevant motion.

- 7.3. Such organisations must have a permanent and identifiable core of responsibilities relating to the countering of fraud and corruption in the healthcare systems and must primarily exist in a European country which is a member of the Council of Europe.
- 7.4. Such organisations may include
- 7.4.1 corporate, private or governmental organisations directing, managing, delivering or resourcing the provision of healthcare
 - 7.4.2 governmental organisations with a specific role in countering healthcare fraud and corruption
 - 7.4.3 representative organisations for those directly involved in the provision of healthcare
 - 7.4.4 representative organisations of those directly involved in countering healthcare fraud and corruption
- 7.5. There shall be no limit on the number of corporate members from any one country; however, representation at Conference shall be limited as described in paragraph 8.4.1 below.
- 7.6. Each Corporate Member shall nominate a person to receive reports and information from the network.
- 7.7. Corporate members shall pay membership subscriptions in accordance with paragraph 7.15 below.
- 7.8. **Associate Membership** shall be open to organisations which are not eligible for corporate membership, but which, in the judgement of the Network, as exercised under paragraph 7.1 above, are interested in furthering the aims of the Network. The number of associate members may not at any time exceed 50% of the number of corporate members.
- 7.9. The Executive Committee's judgement on the acceptability or otherwise of an applicant to become a Associate Member can be overturned by the Annual Conference where two thirds of delegates support a relevant motion.
- 7.10. Each Associate Member shall nominate a person to receive reports and information from the network.
- 7.11. Associate members shall pay membership subscriptions in accordance with paragraph 7.15 below.
- 7.12. **Honorary Membership** shall be conferred upon individuals who have rendered outstanding services to the Network, on the nomination of the Executive Committee and with the approval of a two-thirds majority of delegates at the Annual Conference.

- 7.13. Honorary members shall pay membership subscriptions in accordance with paragraph 7.15 below.
- 7.14. Applications for membership should be submitted on the approved form to the Executive Committee. The forms should include evidence supporting eligibility.
- 7.15. The Executive Committee will consult members of the Network each year about the level of membership subscriptions and will then make a recommendation to the Annual Conference for its agreement.

8. ANNUAL CONFERENCE

- 8.1. The **Annual Conference** shall meet every year at a place and time to be determined by the Executive Committee.
- 8.2. **Notice of the Annual Conference** shall be distributed by the Executive Committee to all members at least 12 calendar weeks before the date of the Annual Conference.
- 8.3. The Annual Conference is constituted by
- 8.3.1 delegates from the corporate members
 - 8.3.2 observers who may be from associate members, may be honorary members, or may be invited guests or speakers
 - 8.3.3 members of the Executive Committee
 - 8.3.4 Employees in the European Healthcare Fraud and Corruption Office
- 8.4. **Delegates** shall be entitled to submit and vote on motions or amendments, to nominate and vote for candidates for elections, to stand as candidates in elections, and to speak in debates.
- 8.4.1 The number of delegates from each country shall be limited to seven to ensure, as far as possible, an equality of representation. Each country shall agree its delegation and submit names of the agreed delegates to the Executive Committee. **Very** exceptionally, if there are more proposed delegates from member organisations than the total number allowed for each country, and if agreement cannot be reached by the member organisations themselves, then the Executive Committee, on behalf of the whole Network, will decide who shall be accredited as a delegate.
 - 8.4.2 Every member organisation shall be able to send a delegate to the Network's Annual Conference. To this end, the Network

Executive Committee will, annually, review the limit on the number of delegates from each country, and where necessary will recommend an amendment to this Constitution to ensure that this intention is, as far as possible, realised.

- 8.4.3 The names of delegates from each country shall be submitted to the Executive Committee at least 9 calendar weeks before the date of the Annual Conference. The Executive Committee will confirm the acceptance of each delegate at least 7 calendar weeks before the date of the Annual Conference. The EHFCN will encourage, where possible, stability in the composition of those delegates from each country.
- 8.5. **Observers** shall be entitled to speak and contribute in debates only.
- 8.5.1 The number of observers from each country shall be limited only by the capacity of the venue for the Annual Conference. Every effort shall be made to accommodate all those who wish to attend the Annual Conference as observers. The Executive Committee will notify all members in advance of the Annual Conference what this limit shall be.
- 8.5.2 The names of observers from each country shall be submitted to the Executive Committee at least 9 calendar weeks before the date of the Annual Conference. The Executive Committee will confirm the acceptance of each observer at least 7 calendar weeks before the date of the Annual Conference.
- 8.6. **Members of the Executive Committee** shall be entitled to stand as candidates in elections and to speak in debates.
- 8.7. **Employees in the European Healthcare Fraud and Corruption Office** shall be entitled to speak in debates only.
- 8.8. **Quorum** for the Annual Conference shall be a total number of delegates equal to or greater than a simple majority of the possible delegates from 10 countries.
- 8.9. **Motions and Constitutional Amendments** shall be submitted by delegates to the Executive Committee at least 5 calendar weeks before the date of the Annual Conference. Motions shall require the support of a simple majority of the delegates to the Annual Conference to be carried; Constitutional Amendments shall require the support of two-thirds of the delegates to the Annual Conference to be carried.
- 8.10. **Nominations** for elections for posts on the Executive Committee shall be submitted by delegates to the Executive Committee at least 5 calendar weeks before the date of the Annual Conference.

- 8.11. **The Agenda** for the Annual Conference - including all motions, constitutional amendments and nominations shall be developed and issued to delegates and observers at least 3 weeks before the date of the Annual Conference.
- 8.12. **The Timetable** for the Annual Conference shall be determined by the Executive Committee and advised to those attending Conference with as much notice as possible.

9. THE EXECUTIVE COMMITTEE

- 9.1. The intention of the Network is to have the minimum level of bureaucracy possible in the way it conducts its business and to this end the Executive Committee will review this each year between Conferences.
- 9.2. The general role of the Executive Committee is to be responsible for conducting the business of the Network between Annual Conferences, for controlling its finances and for employing, and having overall responsibility for the work of, the European Healthcare Fraud and Corruption Office.
- 9.3. **The Executive Committee** shall comprise:
- 9.3.1 **President** who shall be ultimately responsible for the effective operation of the Network
- 9.3.2 **Vice-President** (drawn from delegates from countries who were full members of the European Union prior to 1 May 2004) who will deputise for the President as necessary and who will focus on the needs of member organisations from countries who were full members of the European Union prior to 1 May 2004
- 9.3.3 **Vice-President** (drawn from delegates from countries who were not full members of the European Union prior to 1 May 2004) who will deputise for the President as necessary and who will focus on the needs of member organisations from countries who were not full members of the European Union prior to 1 May 2004
- 9.3.4 a **Director-General** who shall be responsible for leading the implementation of the Network's policies and for ensuring its efficient administration
- 9.3.5 a **Deputy Director-General and Treasurer** who shall deputise for the Director-General and who shall be responsible for the effective running of the Network's finances
- 9.3.6 **Four ordinary members**

- 9.3.7 In addition, once the European Healthcare Fraud and Corruption Office (EHFCO) is established, the Head of this Office shall become an ex-officio member of the Executive Committee.
- 9.4. All officers and members of the Executive Committee (other than the ex-officio member) shall have a vote in respect of matters under discussion. In the event of an equality of votes the President shall, in addition, have a casting vote.
- 9.5. **Nominations** for all posts on the Executive Committee shall need to be supported by at least one delegate from member organisations from at least 5 separate countries.
- 9.6. **Elections** will take place separately for each officer post and those receiving the greatest number of votes shall be declared elected. Elections will also take place for the four ordinary member posts and the four candidates receiving the greatest number of votes shall be declared elected.
- 9.7. **Ballot Forms** shall be issued to each delegate to the Annual Conference for all posts which are the subject of election. The Ballot Forms will list the nominating delegates, their countries and the organisations which they belong to. The Executive Committee will make suitable arrangements to count the returned Ballot Forms and the results of the elections will be announced before the end of the Annual Conference. Those receiving the greatest number of votes for each post shall be declared duly elected.
- 9.8. If an election at the Annual Conference shall result in a draw, the draw shall be resolved by the President of the Executive Committee through the random selection of one candidate.
- 9.9. The Executive Committee will meet at least 4 times between Annual Conferences. At least one of these meetings shall discuss and approve an annual financial report from the Deputy Director-General concerning the Network's financial position and budgetary plans.
- 9.10. The Quorum for the Executive Committee shall be at least one from the posts of President and Vice-President plus at least one from the posts of Director-General and Deputy Director-General plus at least two of the Ordinary Members.
- 9.11. The Executive Committee will consider reports from the Director-General on the activities of the Network. These reports, together with the financial position of the Network, will form the basis of the Agendas for Executive Committee meetings. The Director-General will make suitable arrangements to record details of the business transacted at Executive Committee meetings and will issue a report to members within four calendar weeks of each meeting.

- 9.12. Executive Committee members are elected to represent all members of the network and, in this role do not represent the organisations to which they belong. If any Executive Committee member ceases to belong to one of the member organisations, (s)he shall resign from the Executive Committee.
- 9.13. Where a post on the Executive Committee falls vacant, the Executive Committee shall be empowered to fill the vacancy, until the next conference, by the co-option of a suitable candidate.
- 9.14. The Director-General and Deputy Director-General will be responsible to the Executive Committee for the implementation of the Network's policies, the development of its' strategies and the management of all the Network's activities.
- 9.15. Executive Committee Sub-Committees may be appointed by the Executive Committee to perform any continuing function as may be considered desirable by the Executive Committee.

10. THE EUROPEAN HEALTHCARE FRAUD AND CORRUPTION OFFICE (EHFCO)

- 10.1. The EHFCO will be employed by the Network and it will report, via its Head, to the Network Executive Committee. Its aims will not be distinct from those of the Network and, accordingly, its role will be to implement the policies and work plan of the Network.

11. FINANCES

- 11.1. **Subscriptions** to meet the general expenses incurred in maintaining the Network, will be payable by Corporate and Associate Members annually on scales to be determined by the Executive Committee and approved by the General Assembly. These are payable in advance for each financial year.
- 11.2. Non-payment of the subscription for more than one year shall result automatically in loss of membership, which may, however, be revised by payment of all arrears due.
- 11.3. The Executive Committee is authorised to seek and accept donations and grants to the network and to consider the best way of developing the Network's financial base. Proper care will be taken to ensure the appropriateness of all such donations and grants.
- 11.4. **The accounts** of the Network are to be audited by qualified accountants and approved by the Annual Conference on the recommendation of the Executive Committee.

12. REVIEW OF THE CONSTITUTION

- 12.1. **This Constitution** shall be reviewed at five yearly intervals by the Annual Conference. They may also be amended by the Annual Conference by the successful passage of a constitutional amendment supported by two-thirds of those delegates present.

13. DISSOLUTION

- 13.1. **The dissolution of the Network** shall only be affected by a two thirds majority vote of delegates in the Annual Conference. Any assets remaining after the liquidation of the Network's liabilities shall be offered by majority vote of the Annual Conference to an organisation with similar objectives.