

AAPP Code of Ethics and Practice Guidelines

Code of Ethics

1. Each member will ensure that the practice of pathology conducted within its pathology practice complies with the requirements of the Codes of Ethical Practice of The Royal College of Pathologists of Australasia and of the Australian Medical Association as published and amended from time to time.
2. Each member will adopt the most appropriate professional medical practice in regard to the undertaking of pathology services.
3. Each member will ensure that its actions are in the best interests of the Association.

Guidelines on the current professional medical practice of pathology

In these guidelines, the word “practitioner” means requesting practitioner or potential requesting practitioner or “medical entrepreneur” as defined below and includes, where appropriate, the practitioner’s family or staff. Any reference to the provision of a benefit or the payment of money to a practitioner shall include provision or payment through a third party. In this context, “medical entrepreneur” means a person (including a corporation, partnership or other entity) who:

- a) employs a practitioner to render medical services; or
- b) is in a position to exercise control over a practitioner rendering medical services; or
- c) leases, or otherwise makes available, to a practitioner premises at which the practitioner renders medical services; or
- d) receives or obtains any property, benefit or advantage from the rendering of a medical service by a practitioner.

Also for the purposes of these guidelines, the terms ***normal commercial rate and fair market value*** mean the amounts that would be set by agreement between arms-length willing parties in a market place free of artificial constraints. In particular, ***normal commercial rate*** is a rate:

- a) that has not been adjusted to reflect any additional value attribute to the location of the premises relative to any source of pathology requests; or

- b) that is not determined, or subject to variation, in a way that takes into account the volume of pathology requests between the parties.

For the guidance of AAPP members, the following practices are deemed by the Association to be incompatible with the professional practice of pathology. However, it should be noted that the practices have not been described in a legally rigorous manner, nor is it necessarily a complete list of inappropriate practices.

In general the AAPP would deem as inappropriate the making of an arrangement which has as its sole or dominant purpose the provision of a benefit (other than pathology services) by a member (or person who is associated with a member) to a practitioner.

1. The supply by a pathology practice of shares or an interest in that practice to a practitioner (including publicly listed companies and entities).
2. The payment of money for intangibles such as the "goodwill" of a non-pathologist medical practice.
3. The payment of money in excess of the fair market value of tangible assets of a nonpathologist medical practice.
4. The making of any gratuity to a practitioner.
5. The payment of rental to a practitioner, except where an approved collection centre or an accredited pathology laboratory or premises where an APP associated with the pathology practice renders professional services, is rented at no more than normal commercial rates.
6. The payment of money to a practitioner for consulting services, except where such services are professionally necessary and are provided at market rates.
7. The provision of staff for any purposes to a practitioner.
8. Provision of money by way of loan to a practitioner (irrespective of loan conditions), or the provision of any service or benefit, eg, holidays, cars, computer equipment, etc.
9. Acting as a guarantor for a loan taken out by a practitioner.
10. Payment for the purchase, lease, rental or maintenance of equipment, or payments on a loan secured by the practitioner for that purpose, or the placement of equipment on loan at a practitioner's business or residential premises, eg, surgical or medical equipment, furniture, furnishings, etc.
11. The provision to a practitioner of facilities for electronic data transmission (eg, terminals, printers, facsimile machines etc).

12. The provision to a practitioner of stationery or computer software other than that solely concerned with the provision of pathology services.
13. The provision to a practitioner of any materials other than those related exclusively to the collection of pathology specimens.
14. The provision to a practitioner of accounting services.
15. The payment of rates, electricity, telephone charges, etc. for a practitioner's premises except that which relates to formally demised space.