

DEPARTMENT: Ethics and Compliance	POLICY DESCRIPTION: Entertainment
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EFFECTIVE DATE: January 1, 2017	REFERENCE NUMBER: EC.006
APPROVED BY: Ethics and Compliance Policy Committee	

SCOPE: All Company-affiliated facilities worldwide including, but not limited to, hospitals, ambulatory surgery centers, home health centers, home health agencies, physician practices, outpatient imaging centers, service centers, joint ventures and all Corporate Departments, Groups, Divisions and Markets, except that this policy does not apply to HealthTrust Purchasing Group.

PURPOSE: To establish application rules related to extending entertainment to individuals and entities which **are not** potential referral sources or Foreign Officials and related to individuals receiving entertainment from business associates.

POLICY: The essential policy for business courtesies is set forth in the Code of Conduct, and the relevant provision is available in the [Code of Conduct](#) on Atlas. That basic rule is that employees may extend invitations to meals and entertainment to business associates, provided the cost per person does not exceed \$150 and the number of business courtesies offered in the same calendar year generally does not exceed 3 occurrences. Likewise, employees may accept invitations to attend meals and entertainment events from a business associate provided the cost per person does not exceed \$150 and the number of business courtesies accepted from the same business associate in the same calendar year generally does not exceed 3 occurrences. This policy is intended to offer a limited number of application rules to the provisions in the Code of Conduct for business courtesies.

For guidance related to business courtesies extended to individuals and entities which **are** potential referral sources or their immediate family members, please refer to the Business Courtesies to Potential Referral Sources Policy, EC.005. That policy establishes the parameters for the extension of business courtesies to potential referral sources and their immediate family members.

For guidance related to the provision of anything of value to a Foreign Official, please refer to the Global Anti-Corruption Policy, LL.AC.001. That policy establishes the parameters for the extension of anything of value to a Foreign Official.

For guidance regarding the extension and receipt of gifts, please refer to the Gifts Policy, EC.023, or the Business Courtesies to Potential Referral Sources Policy, EC.005, as appropriate.

Application of this policy outside the United States. The financial limitations and other aspects of this policy may be revised for certain non-U.S. countries in HCA country-specific policies approved by the Anti-Corruption Responsible Executive (or designee) and the SVP & Chief Ethics and Compliance Officer (or designee), pursuant to the Global Anti-Corruption Policy, LL.AC.001.

A critical distinction should be made between three types of activities:

1. **Except pertaining to Federal, state and local government employees (as described below), business meetings at which a meal is served** are not considered business courtesies and are not subject to the business courtesy provisions in the Code of Conduct or this policy. This exclusion applies in both the case of our hosting or attending business meetings.

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2. **Entertainment** implies a social event (e.g., a meal, attendance at a sporting or cultural event, participation in a sporting activity) at which business matters are discussed but where it is apparent that the event is not intended as a business meeting. All business entertainment must include some discussion of business.

3. Participation in **longer events** (events of a day or more in duration), such as vendor-sponsored training or conferences, is governed by the Vendor-Promotional Training Policy, EC.007. It is anticipated that the company would not **host** free of charge longer events other than for voluntary leadership of hospitals (e.g., Board retreats or meetings), and such events are governed by the Reimbursement of Expenses and Extending Tokens Related to Voluntary Leadership Service by Potential Referral Sources, LL.022. In the rare circumstance the company seeks to **host** a longer event for a group of non-company employees other than hospital voluntary leadership, such events should be approved in advance by the SVP and Chief Ethics and Compliance Officer.

DEFINITIONS:

Approving Authority: For purposes of this policy, the approving authority is the Division President or the Market President, except where the Division or Market President is also the CEO of the facility, in which case approval should come from the next highest position.

Potential referral source includes: a doctor of medicine or osteopathy, a doctor of dental surgery or dental medicine, a doctor of podiatric medicine, a doctor of optometry, or a chiropractor, whether or not an employee of an HCA affiliated entity. It does not include any such doctors who do not provide clinical care or order tests (e.g., physicians who provide non-clinical consulting or other leadership services to an HCA affiliated entity and do not provide clinical services, such as non-referring Chief Medical Officers).

PROCEDURE:

1. **Extending invitations of entertainment:**
 If it was anticipated the cost per person of a business entertainment activity would not exceed \$150, but the cost per person appears to have exceeded \$150, a report must be filed with the Approving Authority and a copy sent to the SVP and Chief Ethics and Compliance Officer. For any ticketed event, the cost of the event is the face value of the ticket unless the facility actually paid more, in which case the cost is the amount actually paid. For a charity event, the cost of the event is the fair market value of the activity provided as opposed to the full amount of the ticket (i.e., the amount of the charitable contribution may be excluded from the value of the entertainment provided to the business associate).
 If a business entertainment activity entails two events that are reasonably viewed as being different events but which are consecutive (e.g., a dinner followed by attendance at a cultural function), the \$150 limit may be applied separately to each of the two events provided, however,

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this is regarded as two occurrences of entertainment with regard to the general guideline that any entertainment offered to a business associate should occur not more than three times a year.

If, prior to hosting a business entertainment activity, it is anticipated the cost per person will exceed \$150, one must receive advance approval from the facility Ethics and Compliance Officer (ECO) and the Approving Authority. A copy of the approval should be provided to the SVP and Chief Ethics and Compliance Officer. Employees at Corporate headquarters, other than Senior Officers, and Group, Division and Market offices must receive such advance approval from their supervisor and the SVP and Chief Ethics and Compliance Officer. Senior Officers at the Corporate headquarters must receive approval from the SVP and Chief Ethics and Compliance Officer.

U.S. Federal, state and local governments have strict rules and laws regarding gifts, meals, and other business courtesies for their employees. **Federal** rules permit **Federal** employees to accept:

- a. Meals valued at no more than \$20.00 per occurrence, not to exceed \$50.00 in one calendar year; and
- b. Minor refreshments, such as coffee and donuts, provided in connection with business discussions. These refreshments do not count toward the \$20.00 per occurrence and \$50.00 per calendar year limits.

In the spirit of business partnership, we will offer meals and modest refreshments only to those **Federal** employees with whom we are engaged in collaborative efforts to deliver healthcare (see examples below), and **never to Federal employees who are in an oversight, investigative, enforcement or legal role.**

Example 1: There is a Veterans' Administration (VA) hospital in the same community as an HCA hospital. The director of a service line at the HCA hospital and a representative of the VA hospital need to meet with some frequency to discuss services we can provide for VA patients. From time to time, there are refreshments at the meetings. This is permitted.

Example 2: There is a military base in a rural area about 60 miles from an HCA hospital. Representatives of the base need to come to the HCA hospital to discuss matters of mutual interest. The HCA hospital wishes to provide the base representatives with refreshments or a meal every now and then. They may do so, as long as the total value of any meals provided in one year does not exceed \$50.

Example 3: Representatives of the Office of Civil Rights of the U.S. Department of Health and Human Services (OCR) are on site to conduct a Health Insurance Portability and Accountability Act privacy audit. The facility may not offer the OCR representatives any refreshments or meals.

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Facilities, in consultation with Operations Counsel, must consult state and local laws to determine what is permitted to be offered to state and local government employees. In no circumstances may meals, entertainment or refreshments be provided to **state or local employees who are in an oversight, investigative, enforcement or legal role.**

2. **Accepting invitations of entertainment:**

If it was anticipated the cost per person of a business entertainment activity would not exceed \$150, but the cost per person appears to have exceeded \$150 a report must be filed with the Approving Authority or supervisor at the Corporate headquarters, Group, Division or Market offices, as appropriate, and a copy sent to the SVP and Chief Ethics and Compliance Officer. All events occurring on the same day and offered by the same individual or entity are considered the same event and must fall within the \$150 limit. For any ticketed event, the cost of the event is the face value of the ticket unless the receiver has knowledge the giver paid more than the face value, in which case the cost is the amount actually paid. For a charity event, the cost of the event is the fair market value of the activity received as opposed to the full amount of the ticket (*i.e.*, the amount of the charitable contribution may be excluded from the value of the entertainment provided to the employee).

Requests for advance approval to accept invitations of entertainment that exceed \$150 must be submitted to one's supervisor and the facility ECO. Employees at Corporate headquarters and Group, Division and Market offices must submit their request to the SVP and Chief Ethics and Compliance Officer. Such requests will be granted only in unusual circumstances.

It is **not** permissible to pay part of the cost of entertainment that is offered with a value exceeding \$150 to reduce the value to less than \$150 and then accept the entertainment. However, it is acceptable to pay the full value of such an entertainment activity and then participate in the event.

3. Each Company-affiliated facility's ECO is responsible for overseeing implementation of this policy.

REFERENCES:

1. [Code of Conduct](#), Business Courtesies Section
2. Global Anti-Corruption Policy, [LL.AC.001](#)
3. Business Courtesies to Potential Referral Sources Policy, [EC.005](#)
4. Vendor Promotional Training and Business Associate-Sponsored Seminars Policy, [EC.007](#)
5. Gifts Policy, [EC.023](#)
6. Reimbursement of Expenses and Extending Tokens Related to Voluntary Leadership Service by Potential Referral Sources, [LL.022](#)
7. HealthTrust Purchasing Group Policies:
 - Business Courtesies Given by HealthTrust to Others Policy, [HT.005](#)
 - Business Courtesies Received by HealthTrust Colleagues from Others Policy, [HT.006](#)