

<b>DEPARTMENT:</b> Ethics and Compliance	<b>POLICY DESCRIPTION:</b> Business Associate-Sponsored Meetings, Training and Honoraria
<b>PAGE:</b> 1 of 6	<b>REPLACES POLICY DATED:</b> 4/1/98, 12/15/99, 9/30/02, 11/15/06, 3/1/15
<b>EFFECTIVE DATE:</b> September 1, 2020	<b>REFERENCE NUMBER:</b> EC.007
<b>APPROVED BY:</b> Ethics and Compliance Policy Committee	

**SCOPE:**

All Company-affiliated facilities including, but not limited to, hospitals, ambulatory surgery centers, home health agencies, physician practices, service centers, outpatient imaging centers, and all Corporate Departments, Groups, Divisions and Markets. This policy does not apply to HealthTrust Purchasing Group, which is subject to separate policies as noted in the References section.

**PURPOSE:**

To establish parameters surrounding the acceptance of offers from vendors to cover travel expenses, training and honoraria.

**POLICY:**

1. For purposes of this policy, an HCA Healthcare colleague includes a Physician Services Group (PSG), employed or contracted (foundation model) physician as well as an independent physician who is a member of a facility's medical staff and is chosen by a facility, division or service line to attend a meeting or training.
2. Vendor offers for meeting and training, including travel and lodging, may be accepted free of charge when the business value to our organization outweighs any recreational or entertainment value of the event, provided that the appropriate approvals are obtained in advance and subject to the limitations described herein.
3. When permitted to accept an offer of free or reimbursed travel from a vendor, the following limits apply:
  - The event location should be in the continental United States.
  - Travel: coach class airfare or mileage reimbursement at the IRS rate and reasonable ground transportation between an airport, lodging and the event location.
  - Accommodations: no more than two nights lodging.
  - Meals: modest meals may be accepted at the event location; other meals are subject to the limit established in Entertainment Policy (EC.006).
4. Pre-Purchase Product Evaluation
  - a. HCA Healthcare colleagues may not accept offers of free or reimbursed travel or lodging from vendors when the purpose for travel is to evaluate a product or service for purchase.
  - b. HCA Healthcare colleagues may accept modest offers of business courtesies from a vendor for meals and refreshments per Entertainment Policy (EC.006) in conjunction with such travel.

<b>DEPARTMENT:</b> Ethics and Compliance	<b>POLICY DESCRIPTION:</b> Business Associate-Sponsored Meetings, Training and Honoraria
<b>PAGE:</b> 2 of 6	<b>REPLACES POLICY DATED:</b> 4/1/98, 12/15/99, 9/30/02, 11/15/06, 3/1/15
<b>EFFECTIVE DATE:</b> September 1, 2020	<b>REFERENCE NUMBER:</b> EC.007
<b>APPROVED BY:</b> Ethics and Compliance Policy Committee	

5. Initial and Follow-Up Product Training

- a. Vendors have a general responsibility to train and educate health care professionals on equipment, technology, devices, medications and the like to ensure the safe and effective use of their products prior to usage. In some cases, training is mandated by the U.S. Food and Drug Administration (FDA).
- b. Additional training may also be beneficial to users of a product after they have gained some experience in the use of the product, or when new indications or uses of a product have been established.
- c. Such training should be conducted in a manner conducive to learning. When in-person training is necessary, training may be offered in centralized locations, including but not limited to the vendor's location, a health care facility, a conference center or a hotel. All attendees must have a legitimate business need to attend the training program.
- d. Ideally, the product purchase contract should identify the training requirements and terms. When the contract does not identify such terms, HCA Healthcare colleagues may accept offers of free or reimbursed travel, lodging and meals from vendors subject to the limits established herein. Such offers may be accepted provided the training event is not limited to HCA Healthcare colleagues; or when the vendor warrants that they provide comparable training programs at their expense for other customers; and only when the training is not held at a location concurrent with or appended to a meeting or conference organized by a third party.
- e. HCA Healthcare may not use such meetings as a vehicle for general business training or education. The meeting agenda and speakers or trainees should be determined by the vendor. An HCA Healthcare colleague may not request that a portion of the meeting time be used for HCA Healthcare business purposes.
- f. When a vendor identifies an HCA Healthcare facility as an appropriate location for such training, the vendor must enter into a written agreement with the facility at a fair market value rate for the space and the services provided by the facility.
- g. Examples:
  - i. A medical device manufacturer has determined that additional clinical education including hands-on training via skills lab with simulators is beneficial six months to a year after initial training. The manufacturer is a preferred vendor with HCA Healthcare and offers to host a one-day training session for HCA Healthcare clients. The manufacturer warrants that they provide the same follow up training programs for other customers and cover the travel expense, one night lodging and

<b>DEPARTMENT:</b> Ethics and Compliance	<b>POLICY DESCRIPTION:</b> Business Associate-Sponsored Meetings, Training and Honoraria
<b>PAGE:</b> 3 of 6	<b>REPLACES POLICY DATED:</b> 4/1/98, 12/15/99, 9/30/02, 11/15/06, 3/1/15
<b>EFFECTIVE DATE:</b> September 1, 2020	<b>REFERENCE NUMBER:</b> EC.007
<b>APPROVED BY:</b> Ethics and Compliance Policy Committee	

	<p>two meals on the day of training. <i>Resolution: The offer of paid travel may be accepted.</i></p>
ii.	<p>A vendor offers to provide a day of training for a new technology to customers who purchased the technology product in the past two years in Chicago on March 21. The audience for the training would be the same audience for a professional society meeting that begins in Chicago on March 22. The vendor offers to pay travel, two nights lodging, and associated meals. <i>Resolution: Assuming the HCA Healthcare colleague plans to attend the professional meeting, the offer for travel and lodging may not be accepted because the vendor has appended the training to a third party meeting for which the attendees would generally pay their own travel expense. This creates an undue benefit to the attendees. The attendees could only accept an offer of modest meals during the training session on March 21.</i></p>
6.	<p>Business Associate Sponsored Seminars includes educational seminars, conferences, user review group meetings or other educational sessions sponsored and hosted directly by a business associate. While such meetings may include content about a vendor's products or services, the primary purpose of the meeting is not related to training for specific products.</p>
a.	<p>Provided that the appropriate approvals are obtained in advance, invitations to attend Business Associate-sponsored seminars, which may include free or reduced registration fees, travel, lodging and meals, may be accepted only when:</p>
i.	<p>the event is not limited to HCA Healthcare participants (e.g., individuals from various companies and organizations have been invited to attend the event) or the vendor warrants that they provide comparable programs at their expense for other customers; and</p>
ii.	<p>no fee is charged to any invitee or, if a fee is charged for some portion of the event or a reduction given, the same fee is charged or same reduction is given to each invitee.</p>
b.	<p>Business associates may not pay the registration fees, travel, lodging and/or meals for HCA Healthcare colleagues to attend conferences or seminars sponsored by a person or entity other than the inviting Business Associate.</p>
7.	<p>Honoraria:</p>
a.	<p>Should a colleague be invited to participate on behalf of an affiliated-facility as a speaker, faculty member, panelist or presenter at an association or industry-sponsored conference,</p>

<b>DEPARTMENT:</b> Ethics and Compliance	<b>POLICY DESCRIPTION:</b> Business Associate-Sponsored Meetings, Training and Honoraria
<b>PAGE:</b> 4 of 6	<b>REPLACES POLICY DATED:</b> 4/1/98, 12/15/99, 9/30/02, 11/15/06, 3/1/15
<b>EFFECTIVE DATE:</b> September 1, 2020	<b>REFERENCE NUMBER:</b> EC.007
<b>APPROVED BY:</b> Ethics and Compliance Policy Committee	

institute, meeting or symposium, and should appropriate supervisory approval have been received to participate in the event, the following guidance applies:

- i. The organizers of the event may pay all or a portion of the registration fees, travel, lodging, food and beverage, and entertainment of such person relating to the event.
  - ii. The employee may not accept any honorarium, speaker's fee or other compensation for participation in the event.
  - iii. If offered by the event organizer, a charitable contribution may be made in honor of the employee, but the employee may not benefit from the contribution (e.g., may not claim the contribution as a personal income tax deduction). Under such circumstances, an employee may suggest a favorite charity but the employee may not accept a donation on behalf of the charity. The contribution must be sent from the organizer directly to the charity.
- b. If an employee wishes to prepare for and present at a meeting or conference as an outside activity (i.e., not on behalf of the Company), and if such activity does not conflict or interfere with the employee's work schedule or Company responsibilities as determined by the employee's supervisor, the employee **must do so on the employee's own time** and may accept an honorarium or other compensation as arranged with the sponsor of the event. No member of Senior Management at the Corporate Office may accept an honorarium that has any relation direct or indirect to their professional duties or the Company's business.
- c. In situations where it is unclear whether an employee has been invited to participate on behalf of the Company or where the employee has been asked to participate as a result of knowledge gained while employed by the Company, the employee must discuss the situation with their ECO before proceeding.
- d. Employees who teach a course at a university or other educational institution may accept appropriate compensation for preparation, planning and teaching time. Such activity must not conflict or interfere with the employee's work schedule or Company responsibilities.
- e. Employees who serve as an officer of a professional organization or association may accept appropriate compensation for time spent on organizational duties.
- f. Examples:
- i. Company Employee A is invited to speak at the annual conference of a health

<b>DEPARTMENT:</b> Ethics and Compliance	<b>POLICY DESCRIPTION:</b> Business Associate-Sponsored Meetings, Training and Honoraria
<b>PAGE:</b> 5 of 6	<b>REPLACES POLICY DATED:</b> 4/1/98, 12/15/99, 9/30/02, 11/15/06, 3/1/15
<b>EFFECTIVE DATE:</b> September 1, 2020	<b>REFERENCE NUMBER:</b> EC.007
<b>APPROVED BY:</b> Ethics and Compliance Policy Committee	

care association. The association has offered to pay Company Employee A's registration fees, travel, lodging and food expenses while in attendance. The association typically provides an honorarium to each of its speakers.  
*Resolution: Company Employee A may accept the association's offer to pay for his/her registration fees, travel, lodging, and food expenses while in attendance. Company Employee A may not accept the honorarium.*

- ii. Company Employee B has been asked to teach a nursing course at the local community college. The college pays \$2,000 for teaching this course, which will involve five hours per week of preparation, planning and teaching. Company Employee B plans to do the preparation and planning on the weekends and teach the course in the evenings. *Resolution: The preparation, planning and teaching of this course does not appear to conflict or interfere with Company Employee B's Company work schedule or Company responsibilities. Company Employee B may teach the course and accept payment from the college.*
- iii. Company Employee C has been asked to complete a survey regarding a product and hospital demographic data. The survey vendor offers to pay Company Employee C an honorarium of \$100 for the completion of the survey. *Resolution: Company Employee C may complete the survey with his or her supervisor's approval but may not accept the honorarium. If it is clear the employee was invited to participate in a survey based on his or her general knowledge of a subject matter (i.e., not based on specific facility experience or information), the employee may accept the honorarium.*

**DEFINITIONS**

**Business Associates** are those seeking to do or doing business with HCA Healthcare, an HCA Healthcare facility or affiliate, including patients and their family members.

An **honorarium** or stipend is a one-time payment made to an individual for making a speech or presentation, for participating in a meeting, or for some other specified service (e.g. completing a survey, providing an interview, etc.).

**Vendors**, as used herein, refers to any manufacturer, distributor, or other suppliers of products, equipment and services.

**PROCEDURE:**

1. An employee, other than a Corporate Senior Vice President, who receives an invitation to attend Initial or Follow-up Product Training or a Business Associate-Sponsored Seminar, which may include travel, lodging or modest entertainment expenses must obtain the approval

<b>DEPARTMENT:</b> Ethics and Compliance	<b>POLICY DESCRIPTION:</b> Business Associate-Sponsored Meetings, Training and Honoraria
<b>PAGE:</b> 6 of 6	<b>REPLACES POLICY DATED:</b> 4/1/98, 12/15/99, 9/30/02, 11/15/06, 3/1/15
<b>EFFECTIVE DATE:</b> September 1, 2020	<b>REFERENCE NUMBER:</b> EC.007
<b>APPROVED BY:</b> Ethics and Compliance Policy Committee	

of his/her supervisor and the facility, division, or service line ECO before accepting the invitation. A Corporate Senior Vice President (SVP) must obtain the approval of the SVP and Chief Ethics and Compliance Officer prior to accepting such an invitation.

- a. The supervisor and ECO (or Corporate SVP and Chief Ethics and Compliance Officer) will assess the situation, including making a calculation as to the amount of time to be spent on substantive matters as compared to the amount of time spent in recreational or entertainment activities. The amount of time engaged in substantive matters must predominate in order for acceptance to be permitted. The employee will provide the supervisor (or SVP) with sufficient information (such as a course description and/or the letter of invitation) for the supervisor and ECO (or SVP) to make the assessments required under this policy.
  - b. If the ECO and supervisor determine that attendance is preferred despite the entertainment portion predominating over substantive, the ECO must receive the advance written approval of the SVP and Chief Ethics and Compliance Officer.
  - c. If attendance involves travel outside the continental United States or lodging in excess of two nights, the employee must also receive approval from the SVP and Chief Ethics and Compliance Officer prior to accepting the invitation.
2. An employee who has been invited to participate as a speaker, faculty, member, panelist or presenter on behalf of the Company at an association or industry-sponsored conference, institute, meeting or symposium must:
- a. Seek supervisory approval to participate; and
  - b. Decline an honorarium if one is offered.

If an employee wishes to prepare for and present at a meeting or conference as an outside activity (i.e., not on behalf of the Company), assuming such activity does not conflict or interfere with the employee's work schedule or Company responsibilities as determined by the employee's supervisor, the employee must do so on the employee's own time and may accept an honorarium or other compensation as arranged with the sponsor of the event.

**REFERENCES:**

1. [Code of Conduct](#), Business Courtesies Section
2. [Employee-Attended Conferences: Expenses, Entertainment and Gifts FAQ](#)
3. HealthTrust Purchasing Group Policy: HealthTrust Colleague Participation in Educational, Training and Promotional Events of Others Policy, [HT.007](#)