

DEPARTMENT: Ethics and Compliance	POLICY DESCRIPTION: Professional Educational Funding from Vendors
PAGE: 1 of 4	REPLACES POLICY DATED: 8/1/04, 11/1/05, 1/1/09, 9/1/12, 4/1/13
EFFECTIVE DATE: September 1, 2020	REFERENCE NUMBER: EC.029 (formerly MM.004)
APPROVED BY: Ethics and Compliance Policy Committee	

<p>SCOPE: All Company-affiliated facilities including, but not limited to, hospitals, ambulatory surgery centers, home health agencies, physician practices, service centers, and all Corporate Departments, Groups and Divisions that sponsor Continuing Medical Education (“CME”) and other educational activities (“Educational Events”). This policy does not apply to HealthTrust Purchasing Group which is subject to separate policies as noted in the References section.</p>
<p>PURPOSE: To provide direction for the receipt of educational grants from Vendors to help underwrite the costs of Educational Events sponsored by a facility, or a Division or corporate office.</p>
<p>POLICY:</p> <ol style="list-style-type: none"> 1. The facility, division or company department must be the sponsor of Educational Events. As the sponsor, the facility, division or company department is responsible for: <ul style="list-style-type: none"> • Identification of educational needs; • Determination of educational objectives and content; • Selection of speakers, faculty and others required for providing the Educational Event; • Selection of educational methods and materials; • Determination of event schedules and location and related activities; and • Selecting the invitees. <p>All of the above must be substantially completed before financial contributions from Vendors are requested, provided, or accepted. The substantive component of the event must predominate over any entertainment, meals or recreational activities.</p> 2. A facility, division or company department may accept funds for an educational event from a Vendor only when: <ul style="list-style-type: none"> • Educational Event funds are not conditioned on any other business transaction; • Educational Event is otherwise legitimate and bona fide; and • Primary purpose and content are for education and not a marketing vehicle for the Vendor. 3. Vendor funding may be received to underwrite part, but not all, of the cost of an Educational Event. The amount of Vendor funding and its purpose, and any other relevant terms and conditions should be documented in writing. 4. Acceptance of educational funding from vendors for a facility or division event requires the approval of the Division ECO. Acceptance of educational funding from vendors for a corporate department requires the approval of a Vice President, Ethics and Compliance. 5. In keeping with the Accreditation Council for Graduate Medical Education (ACGME) guidance, if residents participating in an HCA Graduate Medical Education (GME) Program are expected to attend an Educational Event, no vendor funds may be used to underwrite the event.

DEPARTMENT: Ethics and Compliance	POLICY DESCRIPTION: Professional Educational Funding from Vendors
PAGE: 2 of 4	REPLACES POLICY DATED: 8/1/04, 11/1/05, 1/1/09, 9/1/12, 4/1/13
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6. Vendor funding of an Educational Event or function at such an event must not be conditioned on the purchase of a product or service by the Company or affiliated facilities, or related to the volume of business conducted with a Vendor.

DEFINITIONS

Educational Events, as used herein, refers to those events for which the attendees may receive certification towards their professional educational requirements, as well as any other activities that are provided for professional educational purposes and are sponsored by a facility, division or company department.

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

PROCEDURE:

1. If the Educational Event is intended to provide continuing education credit to anyone in attendance, in addition to compliance with the requirements set forth in this Policy, the Educational Event must be offered and presented in accordance with appropriate accrediting body standards. Accrediting body standards can be found for the Accreditation Council for Continuing Medical Education (AACME) at <http://www.accme.org/>, for the American Nurses Credentialing Center (ANCC) at <http://www.nursecredentialing.org/>, and for the American Council on Pharmaceutical Education (ACPE) at http://www.acpe-accredit.org/frameset_AppProv.htm. Other accrediting bodies may have similar guidelines that must be followed if accreditation is sought from such organizations. For Educational Events at which attendees will be healthcare professionals, even when no continuing education credits are provided, compliance with the appropriate accrediting body standards is recommended.
2. A Vendor must be given promotional credit for funding the Educational Event or for sponsoring a function at an Educational Event. Such credit may include acknowledging the vendor's contributions or sponsorship on flyers promoting the event, invitations, or meeting agendas. The vendor may not distribute information about products or services unrelated to the educational topic at the event.
3. Vendor funds must be used to pay legitimate expenses related to the Educational Event, including speaker and faculty fees and expenses, administrative costs, reasonable and modest meals and refreshments, room and equipment rental, supplies, and educational materials. Payment should be made by the Vendor directly to the sponsoring facility, division or company department for speaker and facility fees and expenses.
4. Payments to physicians and other potential referral sources serving as speakers must be made using the [Physician Speaker Agreement \(HCA-103\)](#). The facility, division or company department CEO must certify that the payment represents fair market value and the services were rendered before payment was made. (See the General Statement on Agreements With Referral Sources; Approval Process Policy (LL.001), and Fair Market Valuations Policy (LL.025).

DEPARTMENT: Ethics and Compliance	POLICY DESCRIPTION: Professional Educational Funding from Vendors
PAGE: 3 of 4	REPLACES POLICY DATED: 8/1/04, 11/1/05, 1/1/09, 9/1/12, 4/1/13
EFFECTIVE DATE: September 1, 2020	REFERENCE NUMBER: EC.029 (formerly MM.004)
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Payments to non-referral sources serving as speakers must be made pursuant to a written agreement comparable to that used for potential referral sources.

5. Except as permitted in the Providing Free and/or Discounted Training and Equipment to Referral Sources Policy (LL.011) or the Business Courtesies to Potential Referral Sources Policy (EC.005), facilities must charge attendees who are referral sources fair market value fees for attending an Educational Event where continuing education credits are provided and must not provide any compensation to referral source attendees for the time spent attending the Educational Event.
6. Neither Facilities nor Vendors may pay for Educational Event-related activities attended by spouses or other guests of faculty or attendees.
7. Company employees may not contribute in-kind services to vendors who host independent programs. For example, requests from vendors to promote the meeting, create flyers, track reservations, or make meeting arrangements should be declined.

Examples:

- a. A vendor approaches a hospital about hosting a dinner meeting at a local restaurant to educate primary care physicians on benefits of a new implant device that specialists would use. The vendor offers to have a local physician on the hospital medical staff who has been trained in the procedure to speak and asks the hospital to promote the event to all primary care physicians on its medical staff. *Resolution: The primary purpose of the event is marketing and should not be permitted. The target audience are not users of the device, but are physicians who are in a position to refer their business. Additionally, the need for the program was not determined by the facility, but solicited by the vendor.*
- b. A pharmaceutical company hosts a dinner to discuss a new clinical trial with clinicians in several specialties. The company holds it out as their meeting and pays the costs of the event. The pharmaceutical company representative asks hospital staff to help distribute flyers and promote the event. *Resolution: Hospital staff should not assist with the promotion of this event.*

REFERENCES:

1. The Fraud and Abuse Laws at 42 U.S.C. § 1320a-7b
2. The Safe Harbors at 42 C.F.R. § 1001.952(a)-(v);
3. Company [Code of Conduct](#)
4. Business Courtesies to Potential Referral Sources Policy, [EC.005](#)
5. Entertainment Policy, [EC.006](#)
6. Business Associate-Sponsored Meetings, Training and Honoraria Policy, [EC.007](#)
7. Records Management Policy, [EC.014](#)
8. Agreements with Referral Sources Policy, [LL.001](#)
9. Professional Services Agreements Policy, [LL.002](#)

DEPARTMENT: Ethics and Compliance	POLICY DESCRIPTION: Professional Educational Funding from Vendors
PAGE: 4 of 4	REPLACES POLICY DATED: 8/1/04, 11/1/05, 1/1/09, 9/1/12, 4/1/13
EFFECTIVE DATE: September 1, 2020	REFERENCE NUMBER: EC.029 (formerly MM.004)
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- 10. Non-Employed Physician Education Expenses Policy, [LL.010](#)
- 11. Providing Free and/or Discounted Training and Equipment to Referral Sources Policy, [LL.011](#)
- 12. Fair Market Valuation, [LL.025](#)
- 13. Physician Access to the Internet Policy, [LL.026](#)
- 14. Vendor Relations Policy, [EC.028](#)
- 15. HealthTrust Purchasing Group Policies:
 - Supplier Participation in HealthTrust Educational Events Policy, [HT.004](#)
 - HealthTrust Colleague Participation in Educational, Training and Promotional Events of Others Policy, [HT.007](#)

Accreditation Council for Continuing Medical Education (“ACCME”):

Standards for Commercial Support of Continuing Medical Education at:

<http://www.accme.org/requirements/accreditation-requirements-cme-providers/standards-for-commercial-support>

The ACCME's Accreditation Criteria at:

<http://www.accme.org/requirements/accreditation-requirements-cme-providers/accreditation-criteria>

Office of the Inspector General: OIG Compliance Program Guidance for Pharmaceutical Manufacturers: 86 Federal Register 23731 (May 5, 2003) at 23735:

<http://oig.hhs.gov/authorities/docs/03/050503FRCPGPharmac.pdf>

Pharmaceutical Research and Manufacturers of America (“PhRMA”): PhRMA Code on Interactions with Healthcare Professionals: <http://www.phrma.org/publications/policy//2004-01-19.391.pdf>

Advanced Medical Technology Association (“AdvaMed”): Code of Ethics on Interactions with Healthcare Professionals: www.advamed.org