

DEPARTMENT: Legal	POLICY DESCRIPTION: Physician Access to Vendor Agreements
PAGE: 1 of 2	REPLACES POLICY DATED: 2/11/98, 3/1/00, 6/30/02, 10/15/02, 1/1/06, 11/15/06
EFFECTIVE DATE: August 1, 2009	REFERENCE NUMBER: LL.012
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, outpatient imaging centers, service centers, and all Corporate Departments, including Healthtrust Purchasing Group (“HPG”), Groups, Divisions and Markets.</p>
<p>PURPOSE: To provide guidance on when non-employed physicians may purchase products or services under HPG, HCA Division, HCA Market or HCA affiliated facility contracts with vendors (“Vendor Contracts”). (See Policy LL.021 for how sales to non-employed physicians are to be structured.)</p>
<p>POLICY: Company affiliated facilities, including but not limited to hospitals, Ambulatory Surgery Centers, and home health agencies, must not sell items from their inventory to non-employed physicians if the items were purchased under a HPG vendor contract, except as otherwise stated below. If the items were not purchased by the facility pursuant to an HPG vendor contract, then the facility may sell such items to non-employed physicians so long as such re-sale is not prohibited by the purchasing agreement with the vendor and the re-sale is in compliance with the Physician Purchasing Items or Services From the Facility Policy, LL.021. A Company-affiliated facility may not permit non-employed physicians to purchase directly from vendors pursuant to a Vendor Contract. This policy is not intended to prohibit non-employed physicians from purchasing directly from vendors using prices and terms mutually negotiated by them.</p> <p>As to drugs or pharmaceuticals purchased under a HPG vendor contract, Company-affiliated facilities may sell such drugs or pharmaceuticals from a facility-owned <u>retail</u> pharmacy to a non-employed physician for the physician’s professional or personal use to the same extent and on the same terms as such drugs or pharmaceuticals are sold to the general public.</p> <p>Physicians employed by the Company or employed by a Company-owned MSO or other physician practice group managed by an entity owned by the Company, and ultimately reporting under the direction and management of HCA Physician Services (HCAPS), are eligible to purchase under the Vendor Contracts with HPG, subject to the following requirements:</p> <ol style="list-style-type: none"> 1. The Company physician practice or the Company management entity must be listed as an eligible facility under the Participant Agreement between HPG and HCA Management Services, LP. 2. The ability to purchase under each Vendor Contract will be subject to any contractual terms therein prohibiting or limiting the purchases thereunder by physician practices, including any separate pricing tiers applicable to physician practices. <p>Physicians not employed by the Company or a group managed by a Company physician management entity are not eligible to purchase under any Vendor Contracts and can only purchase under HPG Vendor Contracts if they become participants with HPG. The terms and conditions of any participation agreement between HPG and such non-employee entity shall be based upon fair market terms and fair market value pricing. Any purchase by HPG participant physicians must be made in accordance with HPG purchasing procedures.</p>



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DEFINITION

Non-Employed Physician: For purposes of this policy, a non-employed physician is a physician who is not employed by the HCA-affiliated facility through which the item is purchased or by any subsidiary or division of the corporate owner of that facility. In most states, HCA Physician Services practices are generally subsidiaries or divisions of the corporate owner of a facility. If uncertain about the ownership of a practice, please contact the Operations Counsel assigned to the closest facility.

REFERENCES:

42 U.S.C. § 1320a-7b; 42 C.F.R. § 1001.952(a)-(v); 42 U.S.C. § 1395nn;
60 Fed. Reg. 41914 (Aug. 14, 1995); 63 Fed. Reg. 1659 (Jan. 9, 1998);
69 Fed. Reg. 16054 (March 26, 2004)
Physician Purchasing Items or Services From the Facility Policy, [LL.021](#)