

1.0 Purpose

- 1.1 This policy brings together relevant standards for relationships among the Company, its employees, and vendors to ensure that business transactions are conducted ethically and transparently.

2.0 Scope

- 2.1 This policy applies to Company employees (and their immediate family members) and to all of the Company's vendors, including all health care and non-health care vendors.

3.0 Definitions

- 3.1 **Annual gift limit** - the value of gifts, meals, entertainment, or any other business courtesies provided to Company employees may not exceed \$75 per event/item, up to \$200 in the aggregate per calendar year/per employee from any vendor.
- 3.2 **Vendor** - a vendor is a person or organization that furnishes, or that seeks to furnish, goods or services (whether health care or administrative in nature) to or on behalf of the Company. A vendor includes all related vendor entities, such as parent and subsidiaries, and other groups of vendors under substantially similar operational control.
 - 3.2.1 For the purpose of this policy, vendors are also those providers and suppliers that provide post-discharge services or products to our patients and for which these services/products may be directly billed to a federally funded health care program.

4.0 Policy

- 4.1 When conducting business with vendors, the safety and well-being of our patients, and the integrity of the Company must be considered at all times. In general, any gifts, meals, entertainment, or any other business courtesies received from vendors by individual employees should be modest in value and scope, directly tied to legitimate business purposes, and must not improperly influence decision-making on behalf of the Company.

5.0 Procedure

- 5.1 **Gifts, meals and entertainment (GME).** Company employees may only accept gifts, entertainment and other benefits from vendors so long as such items do not exceed the annual gift limit (as defined in the Definitions section above).
 - 5.1.1 Employees may not accept cash, gift cards, gift certificates, or any other cash equivalents. This includes store branded gift cards (e.g., Starbucks gift cards).
 - 5.1.2 The annual gift limit applies to all related vendor entities, such as parent and subsidiaries, and other groups of vendors under substantially similar operational control.
 - 5.1.3 The annual gift limit includes any benefits to immediate family members of Company employees.
 - 5.1.4 The following items are NOT included in the annual gift limit:

- 5.1.4.1 Food, beverages and similar items provided at no charge to the general public.
- 5.1.4.2 Food and beverage samples provided by food service vendors in keeping with normal business practices.
- 5.1.4.3 A modest amount of inexpensive pens, notepads, cups and similar items with the vendor's logos or information.
- 5.1.4.4 Participation in organized charity events, at the vendor's request, such as luncheons and similar events, where the vendor has purchased tables or teams, provided that the Company employee does not solicit the vendor to participate in the event and persons other than Company employees also participate.

5.2 Vendor-supported product/service demonstrations. Employees may participate in vendor-sponsored demonstrations of products or services under consideration for purchase and use by the Company. Moderate meals, lodging and travel may be provided by the vendor during such demonstrations if the estimated cost of the product or service warrants the travel and if it is not reasonable to conduct the demonstration at a location near the recipient.

5.3 Vendor-supported training.

- 5.3.1 Employees may participate in vendor-sponsored training where the training is directly related to a product or service sold by the vendor, and is included in the items provided to the Company in the vendor's agreement. Moderate meals, lodging and travel may be provided by the vendor during such training if it is not reasonable to conduct the training at a location near the Company employee.
- 5.3.2 Employees may not accept payment or reimbursement of registration fees or related travel or lodging, for general trade or professional association conferences from current or prospective vendors.
- 5.3.3 For training not included in a vendor contract, Company employees may participate in training directly related to a product or service sold or purchased by the Company. If the training provided or received qualifies for Continuing Education Units (CEUs) or similar professional education credits, such credits are subject to the annual gift limit described above. If the value of a CEU is not known, the fair market value will be assumed to be \$20 per credit hour.

5.4 Vendor-sponsored advisory boards, user meetings or focus groups.

- 5.4.1 From time to time vendors may ask Company employees to serve on customer advisory boards or to participate in meetings or focus groups to evaluate products or services or to compare best practices. Company employees may participate in such advisory boards or attend such user meetings or focus groups with the approval of management. Where doing so will not create a potential conflict of interest or constitute an improper inducement for the referral of items or services to the Company, management may approve vendor reimbursement of reasonable expenses associated with such meetings.

5.5 Vendor speakers at company functions.

- 5.5.1 Vendors may furnish vendor employees or regular consultants to serve as expert speakers at Company conferences or meetings.
- 5.5.2 Vendors may not provide or sponsor speakers who are not vendor employees or regular consultants

5.6 Vendor use of company speakers.

- 5.6.1 Vendors may request Company employees to speak at conferences, or other business related events if such speech is reasonably related to the Company's business interests. Such speaking engagements must be approved by management. The vendor may reimburse the Company for reasonable travel expenses in connection with speaking engagements.
- 5.6.2 Employees should not accept honorariums or other payments from vendors other than reimbursement of out-of-pocket expenses. Any honorarium should be paid to the Company directly, not to the employee.

5.7 Employee/facility awards. Vendors may participate in Company sponsored programs designed to recognize excellence in clinical practice or patient outcomes, provided that, such recognition takes the form of certificates or modest non-monetary awards such as plaques. Management should give prior approval to any vendor participation in Company awards.

5.8 Support for company meetings.

- 5.8.1 Vendor support of Company meetings, functions, or conferences, whether internal or Company hosted and open to external participants, is not permitted.
 - 5.8.1.1 This includes the use of vendor-owned or subsidized office space, meeting rooms, or other facilities.
- 5.8.2 Vendors may support company sponsored community events, subject to prior approval of the Ethics & Compliance Department.

5.9 Donations to company facilities.

- 5.9.1 Vendor donations of any kind, including cash and cash equivalents, to Company facilities are not permitted.
- 5.9.2 Donations of a limited amount of free samples of a vendor's product for evaluation by staff are permitted, when such samples are under consideration for purchase and use by the Company.

5.10 Distribution of vendor materials.

- 5.10.1 Vendors are not permitted to distribute advertisements or information on their products in Company facilities unless such items are approved prior to distribution by management.
- 5.10.2 Generally, only materials which educate patients concerning their health, and are not advertisements for particular products, should be permitted.

5.11 Vendor advertisement in company publications.

- 5.11.1 Vendors are permitted to purchase advertisements in Company publications designed primarily for distribution to the public or other persons external to the Company, if the Company receives no more than fair market value for such advertisements.
 - 5.11.1.1 Fair market value may not exceed what non-vendors pay for similar advertisements.
- 5.11.2 Publications that contain only advertisements paid for by Company vendors are not appropriate.
- 5.11.3 Vendor advertisements are not permitted in publications designed primarily for internal Company distribution.

5.12 Circumvention of policies.

5.12.1 Vendors and Company employees may not attempt to circumvent the application of this policy or other policies by furnishing or accepting items or support to Company facilities, employees, or patients through third parties.

5.12.2 Employees should not request vendor support for an activity that is not permitted by this policy.

5.12.2.1 Vendors should report such requests to the Ethics & Compliance Department.

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