

**Title:****GIFTS, GRATUITIES, AND BUSINESS COURTESIES**

Scope:

This policy applies to all Trauma Trust staff and non-employed paid physicians working on behalf of Trauma Trust (TT) collectively referred to as staff.

Policy Statement:

This policy is intended to provide guidelines for appropriate decision-making regarding the acceptance or provision of gifts and business gratuities. It should not be considered exhaustive. Rather, it provides guidance for various common circumstances, and it sets the standard for all who represent TT. Any question regarding a particular relationship, gift, or gratuity should be directed to the Trauma Medical Director, Operations Manager or the Corporate Compliance Officer at the Franciscan or MultiCare Health System facility.

Trauma Trust has adopted clear standards of behavior to ensure activities and business interactions conducted by and on behalf of TT are in compliance with federal and state laws and regulations relative to business gifts and other gratuities. Adherence to these guidelines will insure protection of TT business practices and avoid even an appearance of improper relationships with vendors, service providers, or individuals who conduct or seek to do business with TT, FHS or MHS.

The federal anti-kickback statute prohibits the acceptance of any item of value (remuneration) made directly or indirectly, in cash or in kind, that may induce or appear to induce the purchase or referral of any kind of health care goods, services, or items reimbursed by a federal or state health care program (Medicare and Medicaid). Consequently, the acceptance of any gifts or business courtesies from vendors or others (i.e. outside physicians or groups) with whom we presently or potentially conduct business that would violate a federal law or state law is strictly prohibited.

Employees of TT may not solicit personal gifts, business courtesies or services from any patient, visitor, vendor, or contractor.

Unsolicited gifts of \$100.00 or less in any one year from any individual or organization may be permissible. Gifts that are intended to influence or that may be considered by an objective observer to have the potential to influence an individual in the conduct of his/her duties or responsibilities at TT are prohibited.

Gifts of cash or cash equivalents of \$100.00 or less in any one year from any individual or organization may be permissible. These gifts must be used to benefit TT and cannot be for the use or benefit of an individual.

Although permissible, TT discourages the acceptance of personal gifts from vendors and/or business associates. TT staff should encourage vendors and

business associates to contribute these funds/gifts to TT in recognition of staff.

Procedure:

I. Gifts:

A. Receiving of Gifts:

1. From Patients:

a. Patients and their families may want to recognize exceptional service. Gifts and gratuities of \$100.00 or less per person may be accepted including, flowers, candy or gift baskets. Acceptance of cash or cash equivalents (gift cards) must be sent to the Trauma Medical Director for use within the organization. Patients may also be directed to the facility Office of Philanthropy where gifts may be accepted on behalf of the facility.

2. From Vendors:

a. Acceptance of modest meals, boxes of cookies, candy or other food items from non-employed individuals may be accepted as long as they are \$150.00 or less per staff member in the aggregate annually.

b. Promotional items such as pens, notepads, mugs or similar items may be accepted from a vendor or business associate as long as they are \$150.00 or less per staff member in the aggregate annually.

c. Gifts of cash or cash equivalents such as gift cards, stocks, bonds, etc. from outside entities or vendors must be sent to the Trauma Medical Director or the facility Office of Philanthropy where gifts can be accepted.

3. From Staff:

a. Gifts to and from TT, FHS, or MHS staff to TT staff must be reasonable and not create the appearance of favoritism or a conflict of interest.

Gifts received above the limit set in this policy should be sent to the Trauma Medical Director or the facility Office of Philanthropy.

B. Education Support:

1. Unrestricted subsidies to underwrite the cost of TT continuing education conferences or professional meetings can contribute to the improvement of patient care and therefore are permissible. Donations, including modest meals (i.e. breakfast foods, sandwiches, pizza, etc) may be accepted from current or potential vendors for these educational presentations.

2. When educational seminars are offered by speakers from current or potential vendors, presenters may bring with them a modest meal (i.e. sandwiches, pizza, soda, etc) to be shared by attendees of the education. The speaker must be present at the educational session for no less than seventy-five percent (75%) of the scheduled time.

3. In all instances of industry supported education, the following criteria must be met:

a. The primary purpose of the education must be the dissemination of objective scientific information or educational activity.

b. Acceptance of educational support must never be made conditioned on or related in any way to pre-existing or future business relationships with industry.

c. The industry support is of minimal individual value but promotes the educational nature of the conference.

4. Sales calls are not considered to be an educational activity.

C. Offering of Gifts or Promotional Items by TT:

1. Food, beverages, gifts and entertainment (even of nominal value) may not

be offered to any vendor, regulator or governmental official. Such gifts could be misinterpreted as an attempt to improperly influence an official and must be avoided.

2. Any gift intended to induce or reward referrals or result in the purchase of goods or services is prohibited.

3. The Marketing Department and/or other entities of FHS/MHS may develop promotional items of nominal value (e.g. pens, notepads, calendars, etc.) that promote awareness of clinical programs for referral sources or patients consistent with TT's mission to provide community outreach and education.

II. Social Events and Business Courtesies:

A. Permitted Business Courtesies:

1. There may be times when it is permissible to accept a meal or other invitation offered by a current or potential business associate. However, the purpose must never be to induce or influence a business transaction. If the occasion appears extravagant or if the invitation could be perceived as intended to influence a business decision, attendance at such an occasion is prohibited.

To be acceptable, the occasion should conform to the following guidelines.

a. The cost and location must be reasonable and not extravagant.

b. The invitation is for an ordinary business meal or gathering during which the host is present.

c. Acceptance of such an invitation from an individual or entity is rare unless expenses are shared by both parties.

B. Prohibited Business Courtesies:

1. Business courtesies of personal benefit such as a pair of tickets or invitations to sporting events, theatrical events, or golf outings unaccompanied by the host may not be accepted.

2. Paid expenses for any travel costs or overnight lodging for the individual or his/her family are prohibited.

C. Sponsoring Business Events:

1. TT may routinely sponsor events with a legitimate business purpose (board meeting, retreats). For these events reasonable and appropriate meals and entertainment may be offered. Transportation and lodging for these events may be paid for by TT.

D. TT Fund Raising Events:

1. TT staff are permitted to attend a TT, FHS and/or MHS fundraising event that is sponsored by a current or prospective vendor or others doing business with TT provided that the vendor or others sponsoring the event extend the invitation to the employee and that the host attends the event with the TT staff.

2. Any current or potential vendor wishing to sponsor a TT, FHS, or MHS fundraising event, but who plans to be absent from the event, may offer the event tickets to the TT Medical Director. The TT Medical Director will coordinate with TT Leadership to determine who should receive the sponsored tickets. TT staff is prohibited from accepting this type of sponsored tickets directly from the vendor.

E. Other Non-Profit Organization Fundraising Events:

1. TT staff are permitted to attend other regional non-profit organization events sponsored by vendors or others with business relationships with TT provided the event is reasonable, directly supports the non-profit organization and the host and the recipient are present at the event.

F. Referral Sources:

1. Any gifts or entertainment involving physicians or other persons in a position to refer patients are subject to federal laws, rules, and regulations regarding these practices and must be undertaken with the utmost integrity and good judgment. Individuals uncertain about whether a particular event or function may be accepted should contact the Medical Director, or FHS/MHS Human Resources or the Corporate Compliance Office for advice. The following elements must be present when accepting a business courtesy from a referral source.

- a. Cost and location must be reasonable.
- b. Paid expenses for any travel or overnight lodging are prohibited.
- c. A business courtesy from an individual or entity should be of such limited value (\$150.00 per person annually) that it would not be reasonable perceived by anyone as an attempt to affect the judgment of the recipient or induce referrals.
- d. Subsidies for hospitality and business courtesies should not be accepted beyond modest meals or socializing opportunities held as part of a conference or meeting.
- e. A conference or meeting must primarily be to discuss business. A modest meal associated with the meeting or conference is acceptable if the host is present.

III. Industry Sponsored Travel Expenses:

A. Permitted:

1. Reasonable coverage of travel expenses by a vendor or business associate is acceptable when the subsidized individual is:

- a. Presenting at a conference;
- b. Participating in a meeting for the purposes of sponsored research protocol review;
- c. Participating as a member of a governmental panel;
- d. Participating as part of an approved "Speakers Bureau" engagement;
- e. Participating as part of the evaluation of new equipment for purchase by TT, FHS, or MHS;
- f. Included as part of a contractual relationship.

B. Prohibited:

1. Travel expense reimbursement by outside organizations is prohibited when:
 - a. The funds could be perceived as influencing the business decision;
 - b. Extended to an individual's spouse or family members;
 - c. An individual is not presenting at the meeting or conference;
 - d. The primary focus is social with minimal or no business activity (e.g. golf, resort or other recreational activities);
 - e. Offered by a potential or current vendor to discuss, promote or showcase vendor products or services, if not explicitly defined in existing vendor contract;
 - f. The event location appears extravagant (i.e. outside the USA).

IV. Honoraria and Consultations:

A. Staff who are invited to speak or provide genuine consulting services can accept reimbursement in the form of honoraria or compensation for time and expenses under the following conditions:

1. Travel, lodging, and meal expense reimbursement is reasonable and directly related to the engagement;

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2. Presentations or consultation engagements must be of scientific/academic merit and/or benefit TT;
 3. Consultation and service agreements must be in writing (email is acceptable);
 4. Acceptance of honoraria or consultation engagements have received prior approval from the Trauma Medical Director;
 5. Honoraria and consultation fees received as a direct result of your role as a TT staff member or which is sponsored by TT, FHS or MHS must be paid to Trauma Trust or the sponsoring organizations Office of Philanthropy. Staff may designate where these funds are applied.
 6. Staff may not do private consulting work for a vendor who conducts business with Trauma Trust or FHS/MHS hospitals, or who wants to conduct business with these organizations, without receiving prior approval for the activity from the Trauma Medical Director.
- B. Nothing in this policy is intended to prohibit the development of good and ethical relationships between representatives of Trauma Trust and its business partners. To ensure compliance with this policy and avoid even the appearance of impropriety, expenses for multiple social outings with the same business partner should be shared equally by both parties.
- C. The guidance provided in this policy is intended to communicate TT's ethical standards regarding gifts, gratuities and business courtesies. Although all possible instances of gratuities and courtesies cannot reasonably be addressed in a single policy such as this, staff, officers, and agents of TT are required to abide by the letter and the spirit of these guidelines.
- D. Questions regarding the appropriateness of any gift, gratuity or business courtesy should be directed to the Trauma Medical Director or either FHS or MHS Corporate Compliance Department.
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Related Policies: TT Policy: "CONFLICT OF INTEREST DECLARATION AND DISCLOSURE PROTOCOL"

Related Forms: Trauma Trust Standards for Business Conduct

Approval By:

Trauma Trust Leadership

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4/2014

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