
HARTFORD HOSPITAL
HUMAN RESOURCES POLICY AND PROCEDURE MANUAL

GIFTS, GRATUITIES, AND BUSINESS COURTESIES POLICY

Section: I. Standards of Conduct

Policy #: 113

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Purpose: 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 with whom we presently or potentially conduct business that would violate a federal law or state law is strictly prohibited.

Hartford Hospital (the Hospital) has adopted clear standards of behavior to ensure activities and business interactions conducted by and on behalf of the Hospital 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 the Hospital's business practices and avoid even an appearance of improper relationships with vendors, service providers, or individuals who conduct or seek to do business with the Hospital.

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 the Hospital. Any question regarding a particular relationship, gift, or gratuity should be directed to a supervisor, Human Resources or the Corporate Compliance Office.

Scope: This policy applies to all employees and non-employed paid physician chiefs working on behalf of the Hospital collectively referred to as employees.

Policy: Employees of the Hospital may not solicit personal gifts, business courtesies or services from any patient, visitor, vendor, or contractor.

- Unsolicited gifts of nominal value (total value of \$50.00 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 Hartford Hospital are prohibited.
- Gifts of cash or cash equivalents are never permissible.

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Procedure:

I. Gifts

A. Receiving of Gifts

1. It is acceptable for a department, clinical unit, or clinical practice to accept a modest perishable gift such as a floral arrangement, box of cookies, candy or similar food items to be shared by staff members. However, meals sent from non-employed individuals to Hospital staff are not permissible.

2. Educational Support

Restricted subsidies to underwrite the cost of Hartford Hospital continuing education conferences or professional meetings can contribute to the improvement of patient care and therefore are permissible. Restricted educational funds should be directed to the program director or designee and may be expended for refreshments at trainee educational sessions. The contributing Industry(ies) may be credited for contributing to the restricted educational grant for the session.

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

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

b. Faculty must be present to supervise any educational discussion.

3. Promotional items such as pens, notepads, mugs or similar items may be accepted from a vendor or business associate as long as they are nominal in value (\$10 or less per instance and no more than \$50 in the aggregate annually).

4. Cash or cash equivalents such as gift certificates, stocks, bonds, etc. from outside entities or non-employed individuals are prohibited.

5. No gifts or items of value of any kind should be solicited from patients or their families.

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B. Offering of Gifts

- 1.** Food, beverages, gifts and entertainment (even of nominal value) may not be offered to any 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 The Hospital 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 the Hospital'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. As a general rule, the cost must be reasonable (not to exceed \$100 per person). If the occasion appears extravagant or if the invitation could be perceived as intended to influence a business decision involving the Hospital, attendance at such an occasion is prohibited. To be acceptable, the occasion should conform to the following guidelines.

- (i)** The cost and location must be reasonable and not extravagant.
- (ii)** Paid expenses for any travel costs or overnight lodging for the individual or his/her family are prohibited.
- (iii)** The invitation is for an ordinary business meal or gathering during which the host is present and business is conducted.
- (iv)** Acceptance of such an invitation from an individual or entity is rare unless expenses are shared by both parties.

B. Prohibited Business Courtesies:

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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.

C. Sponsoring Business Events

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

D. Hartford Hospital Fund Raising Events

1. Hartford Hospital employees are permitted to attend a Hartford Hospital fundraising event that is sponsored by a current or prospective vendor or others doing business with Hartford Hospital provided that the vendor or others sponsoring the event extend the invitation to the employee and that the host attends the event with the Hartford Hospital employee.

2. Any current or potential vendor wishing to sponsor a Hartford Hospital fundraising event, but who plans to be absent from the event, may offer the event tickets to Hartford Hospital's Business Development Office. The Business Development Office will coordinate with Hartford Hospital department supervisors to determine who should receive the sponsored tickets. Hartford Hospital employees are prohibited from accepting this type of sponsored tickets directly from the vendor.

E. Other Non-Profit Organization Fundraising Events

Hartford Hospital employees are permitted to attend other regional non-profit organization events sponsored by vendors or others with business relationships with Hartford Hospital 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 their supervisors, Human

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Resources or the Corporate Compliance Department for advice. The following elements must be present when accepting a business courtesy from a referral source.

- (i) Cost and location must be reasonable.
- (ii) Paid expenses for any travel or overnight lodging are prohibited.
- (iii) A business courtesy from an individual or entity should be of such limited value (\$100 per person annually) that it would not be reasonably perceived by anyone as an attempt to affect the judgment of the recipient or induce referrals.
- (iv) Subsidies for hospitality and business courtesies should not be accepted beyond modest meals or socializing opportunities held as part of a conference or meeting.
- (v) 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:

- (i) presenting at a conference;
- (ii) participating in a meeting for the purposes of sponsored research protocol review;
- (iii) participating as a member of a governmental panel;
- (iv) participating as part of an approved “Speakers Bureau” engagement.

B. Prohibited

1. Travel expense reimbursement by outside organizations is prohibited when:

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- (i) extended to an individual's spouse or family member;
- (ii) an individual is not presenting at the meeting or conference;
- (iii) the primary focus is social with minimal or no business activity (e.g. golf, resort or other recreational activities);
- (iv) offered by a potential or current vendor to discuss, promote or showcase vendor products or services, if not explicitly defined in existing vendor contract;
- (v) the event location appears extravagant (i.e. outside the USA).

IV. Honoraria and Consultations

1. Individuals 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:

- (i) travel, lodging, and meal expense reimbursement is reasonable and directly related to the engagement;
- (ii) compensation fees received are fair-market value;
- (iii) presentations or consultation engagements must be of scientific/academic merit and/or benefit the Hospital;
- (iv) consultation and service agreements must be in writing;
- (v) acceptance of honoraria or consultation engagements have received prior approval from an appropriate Administrative Director for non-physician employees;
- (vi) Individuals may not do private consulting work for a vendor who conducts business with the hospital, or who wants to conduct business with the hospital, without receiving prior approval for the activity from their Chairman or appropriate Administrative Director. Chairmen require approval from the Vice President of Medical Affairs.

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Nothing in this policy is intended to prohibit the development of good and ethical relationships between representatives of the Hospital 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 individual should be shared equally by both parties.

The guidance provided in this policy is intended to communicate the Hospital'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, employees, officers and agents of the Hospital are required to abide by the letter and the spirit of these guidelines.

Questions regarding the appropriateness of any gift, gratuity or business courtesy should be directed to your supervisor, Human Resources or the Corporate Compliance Department.

Related Policies: Corporate Compliance Code of Conduct
 Conflicts of Interest Policy

Issued: June 2007

Issued: June 2007

Replaces:

Review Date:

Revised Date: August 2007

December 2007