

**Title: Gifts and Business Courtesies Policy**

**Sponsor: Corporate Integrity Department**

**IMPORTANT NOTICE:**

**The official version of this document is contained in the Policy and Procedure Manager (PPM) and may have been revised since the document was printed.**

**I. PURPOSE**

To prevent undue influence and/or avoid the appearance of impropriety, Cedars-Sinai workforce members may not give or receive a Gift from a Vendor, patient, patient's family member, physician, community benefactor, potential referral source, or others who may influence the recipient's decision making, unless the Gift or benefit is given or accepted in accordance with this Policy.

**II. APPLICABILITY**

This Policy applies to Cedars-Sinai Medical Center, and to affiliates which are wholly controlled, directly or indirectly, by Cedars-Sinai Medical Center and tax-exempt under Section 501(c)(3) of the Internal Revenue Code (including but not limited to Cedars-Sinai Marina del Rey Hospital and Cedars-Sinai Medical Care Foundation), and such other affiliates as Cedars-Sinai Health System may designate from time to time (collectively, "**Cedars-Sinai**").

**III. DEFINITIONS**

"**Gift**" means any good, service, or other item of value given to a person without that person's paying money or giving something of comparable value for the good, service, or item. Gifts may include, but are not limited to, cash, gift certificates, securities, real or personal property, prizes, personal travel, personal discounts, food or entertainment. Gifts also include items offered to a member of the Cedars-Sinai workforce by a Vendor or other person seeking to do business with Cedars-Sinai, such as meals, personal travel, services or supplies for personal use, tickets to concerts, sporting events, or other entertainment events.

"**Vendor**" means any person or business that does business with or may in the future seek to do business with Cedars-Sinai or any of its affiliates. Any person or business that offers goods or services of a type that might be purchased by Cedars-Sinai is a Vendor.

"**Workforce**" means employees (including management), volunteers, trainees, clinicians/medical staff, other persons whose conduct, in performing work for or on behalf of Cedars-Sinai, is at the direction of Cedars-Sinai. Workforce members also include individuals performing services on behalf of third-party contractors to Cedars-Sinai, if such

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individuals are performing such services like those provided by Workforce Members.

**IV. POLICY**

A. **Prohibitions Related to any form of Gifts.** Workforce members can never accept Gifts in the following situations, no matter who is providing or receiving the Gift.

1. Workforce members can never solicit or ask for Gifts for themselves, family members, or any other person from any current or potential vendor, patient, or donor.
2. No cash or cash equivalents (e.g., gift cards of any kind) can be accepted by Workforce members from any current or potential vendor, patient, or donor, regardless of amount.

B. **Personal Gifts from Patients, Families & Donors.**

1. An unsolicited Gift with a value of no more than \$100 which is not cash or a cash equivalent may be accepted by Workforce members from grateful patients, a patient's family members, or donors, if intended solely as expressions of appreciation, provided that such Gifts are given without expectation of anything in return. Unsolicited Gifts should be shared to the fullest extent possible among all Workforce members within a receiving department. Examples include: consumable items such as food, fruit baskets, or beverages (non-alcoholic) and perishable gifts such as flowers or balloons.
2. Gifts of cash or cash equivalents (e.g., gift cards, loans of cash) cannot be accepted by Workforce members.
  - a. If a patient, patient's family, or donor offers such a Gift, suggest instead that the Gift be made to Cedars-Sinai and refer the donor to the Office of Development.
  - b. If such a Gift is made before it can be redirected to the Office of Development, the Gift should be disclosed to your supervisor, and if possible, the person offering the Gift should be advised that the gift will be delivered to

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the Office of Development and that Office should be advised of the full name and address of the Gift-giver, so that a receipt may be provided.

3. Questions regarding Gifts under a will or other estate plan should be directed to the Vice President of Corporate integrity or an attorney in the Department of Legal Affairs.

**C. Gifts to Patients and to or from Potential Referral Sources.**

1. It is unlawful for a provider of healthcare services (such as Cedars-Sinai) or its Workforce members to offer, pay, solicit, or receive anything that could (a) influence a business decision or referral of a business to Cedars-Sinai or any of its affiliates, or (b) induce a patient to seek healthcare services at Cedars-Sinai or any of its affiliates.
2. It is illegal to offer to a Medicare or Medicaid beneficiary any Gift or other remuneration to influence the beneficiary's selection of Cedars-Sinai or any of its affiliates as their provider of health care. Cedars-Sinai cannot waive, in whole or in part, a Medicare or Medicaid beneficiary's copayments or deductible amounts (except as part of Cedars-Sinai's Financial Assistance Program) or provide Gifts to Medicaid or Medicaid beneficiaries, other than certain Gifts of nominal value which are approved in advance by the Corporate Integrity Office.
3. Workforce members cannot offer, solicit or receive any Gifts to or from referring physicians (which include faculty physicians, physicians on the medical staff, physicians who provide services for Cedars-Sinai affiliates, and community physicians), except as permitted by law (e.g., exceptions set forth in the Stark Law and regulations) and approved in advance by the Corporate Integrity Department and/or the Legal Affairs Department.

- D. Governmental Employees or Affiliates.** U.S. Federal and state governments have strict rules and laws regarding Gifts to their employees. Workforce members must never provide Gifts to any employee of the Executive Branch of the Federal government or any state or local government. Any questions regarding Gifts to government employees should be directed to the Department of Government Relations.

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- E. **Gifts from Vendors.** Cedars-Sinai is committed to preserving the integrity of business decisions by treating all Vendors and potential Vendors impartially, and by avoiding conflicts of interest that may bring into question whether a decision was made for Cedars-Sinai's benefit or for personal gain. A Workforce member may not solicit or accept a Gift from a Vendor.

Specifically:

1. Gifts for Referrals of Business: Workforce members may not solicit, directly or indirectly, any Gift (e.g., payment or item of value) for referring patients or clients to a Vendor or any other party.
2. Discounts and Loans: Workforce members may not solicit or accept Gifts, including but not limited to cash, cash equivalents, gift cards, discounts, and loans, from Vendors.
3. Meals and Entertainment: **Vendors and their representatives may not provide food or beverages or entertainment at any Cedars-Sinai facility or to Workforce members for any business, including education-related matters, celebrations, listening to a sales talk, and product reviews.** Workforce members who attend business meals with Vendors must pay for all their own food and beverage and decline any offers from a vendor representative to pay for the meal. If a working meeting with a Vendor is necessary on-site at a Cedars-Sinai location, Cedars-Sinai should provide any food and beverages served during the meeting.

Food may be accepted from current Vendors in the following limited circumstances:

- a. Holiday Exception: During the month of December, Workforce members may accept a food gift of modest value that is intended to be and is actually shared with an entire department, office or working group. Examples include a basket of fruit or a box of cookies. Gifts from potential vendors must be declined.
- b. Meals at Contracted Vendor Sponsored Training: Workforce members may accept food and/or beverages while attending training provided by contracted Vendors, **if the training is specifically addressed in a written**

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**contract between Cedars- Sinai and the Vendor.** See Section E.4.a

4. Vendor Training, User Conferences and Meetings.
  - a. For training provided by contracted Vendors, where the **training is specifically addressed in a written contract between Cedars-Sinai and the Vendor**, meals, lodging and travel may be provided by the Vendor if it is not reasonable to conduct the training at a location near Cedars-Sinai.
  - b. Discounted or waived registration fees may be accepted for user conferences hosted by a Vendor only if the same discounts and waivers are offered to other similarly situated attendees from other organizations (e.g., discounts and waivers for students or for attendees from nonprofit institutions).
  - c. If a Workforce member is asked to speak at a Vendor-sponsored meeting (such as a user-group meeting), to collaborate with other users of a product or service, or provide feedback on the Vendor's products and services, the Workforce member may accept food and beverages at, and free or reimbursed lodging and travel for, the event, from the Vendor if approved by a Vice President (or higher) member of Cedars-Sinai executive management.
5. Professional Associations and Trade Conferences. When a professional association or other educational provider, but not a Vendor, sponsors a conference or educational event:
  - a. Workforce members may accept free or reimbursed registration, lodging, travel, and/or meals from the sponsoring association only in exchange for participation (e.g., speaking, moderating, presenting) in or planning for the conference. Participation and acceptance of reimbursement must be approved by a Vice President (or higher) member of Cedars-Sinai executive management.
  - b. If a vendor sponsors and/or pays for a meal or reception for attendees and/or offers branded items for attendees valued at less than \$10 (e.g., pens, mugs, lanyards, notepads) at the event that includes other attendees not from Cedars-Sinai or its affiliates, Workforce members attending the event

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may attend the meal or reception and/or accept the branded items. For example, if the American Society of Healthcare Professionals holds a 2-day conference, and a Vendor invites all attendees who are speakers, or all attendees who work in finance, to a reception with food and beverages after the first day, Workforce members may attend the reception.

**G. Solicitation of Philanthropic Gifts for Cedars-Sinai**

1. Philanthropic Gift Solicitation. Any solicitation of Vendors or others for Gifts and/or other philanthropic activity including naming, programmatic, events, sponsorships, in-kind donations, must be coordinated under the direction of the Corporate and Foundation Relations (CFR) team in the Cedars-Sinai Office of Development. Other departments should refrain from contacting Vendors for Gifts (including donations) unless they have been asked to be a part of such coordinated effort by a member of senior management (Senior Vice President or higher).
2. No "Quid Pro Quo." Although philanthropic Gifts to Cedars-Sinai may be accepted from Vendors, there may not be any direct or implied conditions or understandings regarding return benefits or favoritism to the Vendor (e.g., ordering a certain amount of product in exchange for a philanthropic Gift) in exchange for the Gift. Any such conditions or return benefits must be approved by the Cedars-Sinai Chief Development Officer or designee.
3. No Solicitation During Negotiation with Vendors. Cedars-Sinai and Workforce members will not accept or solicit philanthropic Gifts from Vendors while Cedars-Sinai is in active negotiation for material contract terms with such Vendors, except that (a) such Vendors may receive general invitations to participate in Cedars-Sinai fundraising events (e.g., the Board of Governors annual gala) and general solicitations on the same terms as participation is offered to other invitees and potential donors, and (b) if the Office of Development is soliciting philanthropic Gifts from any Vendor (or person or entity known to have a material interest in a Vendor), that Office will take extra care to avoid any direct or implied conditions or understandings regarding return benefits or favoritism to such Vendor. The Supply Chain Department will advise the Office of

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Development of anticipated contract negotiations with significant Vendors from time to time.

4. Fundraising Events. With respect to Cedars-Sinai fundraising events (such as the Board of Governors gala), Vendors who participate in such events as attendees or sponsors may invite Workforce members to attend the fundraising event, and Workforce members may accept such invitations only if they advise the Office of Development that they are accepting such invitations so that the Office of Development may coordinate and distribute tickets to workforce members.
5. Exceptions for Emergencies. In the event of a declared federal, state or local public health or other similar emergency, exceptions to this Policy may be made and coordinated through executive management (Vice President or higher) of the Office of Development and the Supply Chain Department.

- H. **Non-compliance**. Violations of this policy are subjected to corrective action, up to and including termination.

**V. REFERENCES**

Physician Self-Referral Law (Stark) 42 U.S.C. 1395nn and 42 C.F.R 411.350 et seq  
Antikickback Statute, 42 U.S.C. 1320a-7b(b)  
California Business & Professions Code Section 650 et seq  
Internal Revenue Code sections 501(c)(3) and 5948

# POLICY



Effective Date: 10-01-23

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## VI. POLICY APPROVALS

Record of Approval Dates	
<b>Original Effective Date</b>	This Gifts and Business Courtesies Policy replaces the following policy: Gifts, Offers of Entertainment and Other Gratuities Offered by Patients, Their Families, Benefactors and Medical Staff Policy (Last Updated/Approved: 03/29/2010)
<b>Approvals</b>	
<b>Executive Compliance Council:</b>	05/19/2023