I. PURPOSE:

The purpose of this policy is to clarify and provide guidance on Northwestern Memorial HealthCare’s position on the acceptance of Gifts or Business Courtesies from Vendors, Referral Recipients, and patients, and to ensure compliance with all applicable federal and state laws, regulations, and Northwestern Memorial HealthCare’s Code of Ethics.

II. POLICY STATEMENT:

Northwestern Memorial HealthCare and its subsidiaries (collectively referred to as “NMHC”) are committed to the highest standards of honesty, integrity and fairness. Consistent with this commitment, anyone subject to this policy may not accept or solicit any personal gift or other benefit from a Vendor or Referral Recipient that (a) he or she knows or should know is being offered with the intent to influence his/her decision-making or (b) might influence or be perceived as influencing his/her decision-making responsibilities on behalf of NMHC or its patients. Moreover, anyone subject to this policy may not accept or solicit any personal gift or other benefit from a patient.

III. PERSONS AFFECTED:

This policy affects all Covered Persons, defined as:

A. NMHC directors, officers, members of committees with Board-delegated authority;
B. NMHC employees and volunteers; and
C. Members of the NMHC House Staff (residents and fellows) and medical staff who:
   1. hold paid or unpaid medical administrative positions (e.g., clinical department chairs, section and division chiefs, or special care unit directors);
   2. have procurement responsibility or the authority to recommend such procurement; or
   3. participate on boards or board committees of NMHC or its subsidiaries.

IV. PROCEDURAL RESPONSIBILITIES WITH RESPECT TO GIFTS FROM VENDORS OR REFERRAL RECIPIENTS:
A. Basic Rules for All Gifts

The following rules (“Basic Rules for All Gifts”) are applicable to all Gifts and Business Courtesies offered to or received by Covered Persons:

1. Gifts and Business Courtesies may not be used to influence decision-making with respect to NMHC.
2. Gifts and Business Courtesies may not be used to induce referral of patients or the ordering of a service or supply.
3. Gifts and Business Courtesies may not take into account the volume or value of referrals, purchases, or business generated.
4. Gifts and Business Courtesies cannot be in the form of cash or a cash equivalent.
5. Gifts and Business Courtesies may not be accepted by an Immediate Family Member where they could not be directly accepted by a Covered Person.

B. Review of Vendor/Referral Recipient Gifts and Offers

Any questions regarding a Gift, Business Courtesy, offer or invitation from a Vendor or Referral Recipient should be directed to the Covered Person’s supervisor or the Office of Corporate Compliance & Integrity.

C. Acceptance of Meals and Other Food Items

1. In general, Covered Persons may not accept meals or other food items from Vendors except as outlined below in Sections IV.C.2, IV.F.2, and IV.F.5.
2. Covered Persons may accept Gifts of meals or other food items from Vendors or Referral Recipients where all of the following conditions are met:
   a. The Basic Rules for All Gifts (Section IV.A) are not violated;
   b. The food is provided in connection with a bona fide training, and the food is incidental and subordinate to the educational content of that training;
   c. The number of training sessions hosted by the Vendor or Referral Recipient where meals/food are provided does not exceed four (4) per calendar year, at the NMHC subsidiary at issue. This limitation is not intended to limit the number of trainings or educational sessions any Vendor may provide, but only the number of times food may be provided to Covered Persons.
3. If a Covered Person attends a meal to discuss a business-related matter with a Vendor or Referral Recipient, then the Covered Person must pay for his/her own meal.
4. See Sections IV.F.2 and IV.F.4 for policies governing meals/food provided in connection with educational conferences and programs.
5. If a Covered Person receives an edible gift that does not comply with Section IV.C.1, he/she should return it, if practical. Where return is impractical, the edible items may be donated, disposed of, or shared with the Covered Person’s department if the Vendor or Referral Recipient’s name is removed.

D. Acceptance of Tangible Gifts

1. Covered Persons may not accept tangible Gifts (including souvenirs, flowers, pens, and books) from Vendors or Referral Recipients. This prohibition does not apply to drug/clinical samples, as long as the Covered Person abides by NMHC policies and procedures for maintaining and dispensing drug/clinical samples.
2. Gifts for personal benefit (including individual gifts in recognition of a birthday or life event) are also not permitted.
3. If a Covered Person receives a tangible gift, he or she should return it, if practical. Where return is impractical, the tangible item(s) may be disposed of or donated to Northwestern Memorial Foundation (“NMF”). Flowers and other perishable items may be shared with the Covered Person’s department if the Vendor or Referral Recipient’s name is removed.

4. See Section IV.F.3 for special rules concerning tangible gifts provided in connection with educational conferences and programs.

E. Acceptance of Intangible Gifts

1. Attendance at Charitable Events
   a. Covered Persons may accept invitations to charitable or fundraising events (such as charity auctions, benefit dinners, and golf outings) from Vendors or Referral Recipients where all of the following conditions are met:
      i. The Basic Rules for All Gifts (Section IV.A) are not violated;
      ii. The event is for the benefit of NMHC or another entity whose mission is related to, complementary to, or otherwise compatible with NMHC’s mission;
      iii. The entity is a bona fide charitable organization;
      iv. The event is intended solely for the benefit of the charitable organization;
      v. The acceptance of such intangible Gift or Business Courtesy is infrequent, i.e., not more than one (1) event from any single Vendor or Referral Recipient per Covered Person in any given year; and
      vi. In advance of the charitable event, the Covered Person informs his/her supervisor that he/she plans to attend the event.
   b. In the event any tangible Gifts (in addition to any meal or other event program) is provided by a Vendor or Referral Recipient, or bears a Vendor’s or Referral Recipient’s name/logo, the Covered Person should decline the Gift.

2. Discounts
   Covered Persons may not accept a personal discount from a Vendor or Referral Recipient. NMHC-wide discounts or promotions available to all employees are not subject to this restriction.

3. Personal Use of Services, Equipment, or Property
   Covered Persons may not accept an offer of personal use of a Vendor or Referral Recipient’s services, equipment or property.

4. Personal Travel
   Covered Persons may not accept an offer of personal travel from a Vendor or Referral Recipient. See Sections IV.F.4 and IV.F.5 below for policies concerning travel associated with educational conferences and programs.

F. Acceptance of Gifts related to Educational Conferences and Programs

1. Sponsored/Paid Attendance at Educational Conferences and Programs
   a. Gifts to support attendance by Covered Persons at educational conferences or programs (i.e., conference fees), including medical device manufacturer-sponsored training and education, are permissible where:
      i. The Basic Rules for All Gifts (Section IV.A) are not violated;
      ii. The selection of attendees is made by NMHC;
      iii. the Gift is approved by the Vice President or designee to whom the Covered Person reports in such capacity;
iv. The event takes place in an environment conducive to learning; and
v. The event is
   (1) an educational, scientific or policy-making meeting, and/or
   (2) a conference or course given by faculty recognized as experts in their field.

b. Gifts to support attendance at conferences or meetings that deal solely with marketing of a Vendor product or service are not appropriate. This policy is not intended to discourage attendance at conferences or meetings that focus on Vendor-sponsored marketing; it is only intended to prohibit acceptance of inappropriate Gifts or Business Courtesies in connection with attending such conferences or programs.

2. Vendor-Sponsored Meals or other Food Items in Connection with Attendance at Educational Conferences and Programs
   a. Vendor-sponsored meals or other food items provided in connection with an educational conference or program are permissible where the meal or food item is generally available to all attendees and incidental and subordinate to the educational conference or program.
   b. Meals and other food items included in a conference fee and available for all attendees are also appropriate.
   c. Covered Persons may not permit a Vendor to pay for meals of an Immediate Family Member or other guest who does not have professional interest in the information being provided at the conference or program.
   d. See Section IV.F.5 below for special rules concerning meals where a Covered Person lectures or presents at an educational conference or meeting.

3. Tangible Gifts in Connection with Educational Conferences and Programs
   Covered Persons may accept Gifts from a Vendor or Referral Source provided in connection with a paid educational conference or program only where:
   a. The Basic Rules for All Gifts (Section IV.A) are not violated;
   b. The Gift is of nominal value;
   c. The Gift is generally available to all conference attendees; and
   d. The Covered Person does not use or display the Gift at NMHC.

4. Travel and Lodging in Connection with Educational Conferences and Programs
   a. In general, Vendor or Referral Recipient payment for travel and lodging is not permissible.
   b. Covered Persons may accept payment for travel and lodging only where:
      i. The event is a medical device manufacturer-sponsored training or education on a device currently in active use at NMHC;
      ii. The event contains objective scientific and educational information that will benefit patients; and
      iii. In advance of the trip, the Covered Person informs his/her supervisor that he/she plans to attend the medical device manufacturer-sponsored training or education.
   c. Payment for travel and lodging may not be accepted where the purpose of the travel or meeting is to view products or equipment that NMHC is considering purchasing.
   d. Travel and lodging may be accepted where a Covered Person lectures or presents at an educational conference or meeting. (See Section IV.F.5 below.)
5. **Special Policies for Covered Persons who are Speakers, Presenters, or Moderators at Educational Programs, Meetings and Conferences**

Covered Persons may accept reasonable honoraria, reimbursement for travel, lodging, and meal expenses to attend bona fide educational conferences or meetings where:

a. The Basic Rules (Section IV.A) are not violated; and

b. The Covered Person
   i. makes a presentation,
   ii. lectures,
   iii. moderates or participates in a panel, or
   iv. otherwise provides a substantive educational role.

G. **Acceptance of Gifts to Support Clinical Research or Education**

1. In general, Gifts to support clinical research or education are acceptable.

2. All Gifts from Vendors or Referral Recipients to support clinical research or education must be administered through the applicable policies and procedures of NMF or Northwestern University Feinberg School of Medicine, as applicable.

H. **Acceptance of Gifts to Underwrite Educational Conferences at NMHC Facilities or Otherwise Sponsored by NMHC**

1. An offer from a Vendor or Referral Recipient to underwrite the costs of an educational conference or a professional meeting may be accepted only where:
   a. The subsidy is provided in the form of a restricted donation to NMF for the applicable specified educational purposes;
   b. NMHC retains responsibility for and control over the selection of content, faculty, education methods and ownership of the materials;
   c. Program speakers are required to disclose any financial relationships with the Vendor or Referral Recipient providing the Gift and any other relevant financial relationships; and
   d. Any program support by the Vendor or Referral Recipient is disclosed to the program attendees and any recipients of program materials.

2. In no event should a subsidy ever be paid directly to an individual Covered Person involved with the conference or meeting.

3. Please also refer to the Northwestern University Feinberg School of Medicine’s Conflict of Interest and Professional Integrity Policy.

I. **Solicitations for Fundraising.**

1. Vendors may be solicited for funds or gifts-in-kind only where:
   a. The solicitation is made in the name of NMHC to support and advance the NMHC’s mission, values, programs, and related needs;
   b. The solicitation clearly indicates that the Vendor’s response is voluntary and that an affirmative or negative response will not factor into the Vendor selection determination;
   c. The solicitation is organized or otherwise overseen and sponsored by NMF; and
   d. The solicitation clearly indicates that there will be no link or relationship with or between the contribution from a Vendor and the volume of business with a Vendor.

2. Referral Recipients should not be solicited for funds or gifts-in-kind.
V. PROCEDURAL RESPONSIBILITIES WITH RESPECT TO GIFTS FROM PATIENTS:
   A. Covered Persons may not accept personal Gifts from patients (or patients’ relatives, visitors, and the like).
   B. If a Covered Person receives a Gift from a patient (including tips), he or she should respectfully return it to the patient.
      1. Where return of an edible or perishable Gift is impractical, the Gift may be shared with the Covered Person’s department.
      2. Where return of a monetary or tangible Gift is impractical, the Gift may be donated to NMF.

VI. ENFORCEMENT:
Management is responsible for ensuring that this policy is communicated to and understood by the employees in their department and that the policy is effectively enforced. Violations of this policy are subject to disciplinary action in accordance with applicable disciplinary policies.

VII. DEFINITIONS:
A. Gifts or Business Courtesies: Goods, services or other items of value received from a Vendor, Referral Recipient, or patient in their capacity as such without exchange of consideration of comparable or equal value. This may include but not be limited to the following: cash, checks, gift certificates, securities, property, honoraria, favors, prizes, services, referrals, employment, food, tickets for plays, concerts, sporting events, and golf outings or any other entertainment events or hospitality, or any other benefits or tangible items or monetary gain and/or advantage. Gifts or Business Courtesies, as defined above, do not include those paid for at the recipient’s own expense. Such payment should be consistent with the fair market value of the Gift or Business Courtesy.
B. Covered Person: Defined in Section III. Persons Affected.
C. Immediate Family Member: Immediate Family Members include a Covered Person’s spouse/domestic partner and children. Immediate Family Members also include the following persons if they (1) live with the Covered Person, (2) the Covered Person manages their financial affairs, or (3) the Covered Person is aware without inquiry that they have solicited or accepted the Gift or Business Courtesy in question: the (a) Covered Person’s parents, siblings, grandchildren, and their spouses/domestic partners; and (b) the Covered Person’s spouse’s parents, siblings, children, grandchildren, and their spouses/domestic partners.
D. Vendor: A Vendor is a person, entity, or an employee or representative of a person or entity that provides, has provided, or could provide NMHC goods or services.
E. Referral Recipient: A Referral Recipient is a person or entity, or an employee or representative of a person or entity that receives or could potentially receive patient referrals from NMHC.

VIII. RELEVANT REGULATORY REFERENCES:
42 U.S.C. § 1320a-7b
42 C.F.R. §§ 1001.951-52
740 Ill. Comp. Stat. 92/1 et seq.

IX. POLICY UPDATE SCHEDULE:
This policy will be updated every three years or more often as necessary.
X. RELEVANT REFERENCES:
None

XI. APPENDICES:
None
XII. **APPROVAL:**

   **Responsible Party:** Jennifer Wooten Ierardi  
   Chief Integrity Executive

   **Reviewers:** Northwestern Memorial Foundation  
   Carol Lind, Senior Vice President and Senior Counsel

   **Approval Party:** Dean M. Harrison  
   President and Chief Executive Officer Northwestern Memorial HealthCare  
   Electronic approval: 12/12/2012

XIII. **REVIEW HISTORY:**

   Written: 11/2012 – Replaces local policies