

## C-1100 Gift and Meals Policy

<i>Department(s)</i>	<i>Compliance</i>
<i>Effective Date</i>	<b>01/19/2022 (replaced policy created 12/09/2014)</b>
<i>Version Number</i>	<b>V2</b>
<i>Last Review</i>	<b>01/19/2022</b>

### Scope

All National Seating & Mobility policies and procedures apply to all owners, directors, officers, and employees of NSM and all related entities equally unless otherwise indicated.

### Purpose/Policy Introduction

This policy is intended to provide guidance on giving and receiving gifts and providing or receiving meals to ensure NSM does not exceed any limits or prohibitions of our heavily regulated industry.

### Policy

The giving or receiving of gifts or other business courtesies in the healthcare industry can implicate the federal Anti-Kickback Statute that prohibits the providing or accepting of anything of value in exchange for the referral of clients or services covered by a federal or state healthcare program. They may also violate the Stark Law that prohibits improper remuneration of physicians and physician self-referral. Additionally, improper business courtesies may implicate the Beneficiary Inducement Statute that makes it illegal to offer money or services that are likely to influence a member to select a particular care provider, practitioner, or supplier. To avoid even the appearance of wrong-doing, NSM has established the following policy.

NSM employees or agents may not offer, pay, solicit, accept, or receive, directly or indirectly, anything of value in exchange for referrals. With respect to governmental or regulatory officials, their employees or representatives, a gift (including meals) or payment may be improper even if it is not given with the intent to secure influence or favored treatment. No gift or payment of any type may be made to a governmental or regulatory official other than a modest meal or refreshments if the official is visiting a branch and should never exceed \$20 or less per occurrence and \$50 annually. For other business courtesies, the policy is as follows:

**Gifts or Meals to Potential Referral Sources (PRS):** No NSM employee or agent may give a gift or anything of value to a potential referral source or their family members in exchange for referrals.

- No gift certificates, coupons, gift cards, cash or other cash equivalents, in any amount, may be given at any time.

- Business courtesies to a PRS cannot exceed \$50.00 in value unless written prior approval is obtained from the Corporate Compliance Department. The total of all business courtesies may not exceed \$200.00 annually. Generally, these gifts should be perishable or consumable, such as flowers or food items. Items of minimal value may also be provided to PRS as long as the total annual amount of business courtesies provided does not exceed \$200 annually per PRS.
- Modest educational meals may be provided to potential referral sources no more frequently than every 3 months and must serve an educational purpose. The total purchase price of each educational meal may not exceed \$100.00 collectively unless prior approval is received from the applicable Regional Vice President, Executive Vice President, and Corporate Compliance Department. Supporting documentation of the educational nature of the meal must also be provided to the Director of Compliance. The education must be local and provided by NSM.
- NSM will not pay for PRS to attend training or educational sessions not provided by NSM.
- Gifts must be occasional and may not be provided to representatives affiliated with the PRS and/or the entities with whom they affiliate. However, representatives affiliated with a PRS, may participate in modest educational meals when a PRS is present and the representative may also benefit from the education.
- Reimbursement of expense reports may be delayed or denied if it appears that something of value was given in exchange for a referral.
- Each facility should use of the Business Courtesies Log for tracking business courtesies to potential referral sources and their immediate family members.
- The maximum annual business courtesy amount provided to any entity affiliated with a PRS, regardless of approval received, is \$400.
- The determination of whether to provide a business courtesy to a PRS shall not be based upon to provide a business courtesy shall not be based on the volume or value of business generated by the PRS. No NSM employee shall provide a business courtesy solicited by a PRS.

### **Gifts to Clients/Beneficiaries**

- No NSM employee or agent may give a gift of any type to induce a referral.
- For Medicare and Medicaid beneficiaries, including those beneficiaries covered by a Medicare or Medicaid Managed Care Plan, no gift may have a retail value in excess of \$15.00. The total of gifts to any beneficiary in any one-year period must not exceed \$75.00.
- In the event that NSM makes a mistake that results in an inconvenience for a client, an apology gift may be given to the client as long as the gift is not over \$15.00.
- No gift certificates, coupons, gift cards, cash, or other cash equivalents, in any amount, may be given to a client.
- Gifts with a retail value in excess of \$15.00 may be donated to charities, including patient advocacy groups, to benefit families and individuals in need, provided that the gifts do not specify which group (e.g., NSM clients) or which individual (e.g., Mr. Jones) is to receive the gift.

## Accepting Gifts

No NSM employee is allowed to solicit or accept gifts or special favors for themselves or others. Employees may accept gifts that are of nominal value if approved by their supervisor or the Director of Compliance. Generally, these gifts should be perishable or consumable, such as flowers or food items. You must report the offer or receipt of any gifts or other favors inconsistent with NSM policy to your supervisor or to the Director of Compliance.

## Reimbursement of Expenses for Gifts

NSM will not reimburse employees for gifts or meals supplied that violate the Gift policy. The Director of Compliance will conduct random audits of expense reports to ensure compliance with the policy. Any employee who fails to comply with this policy may be subject to disciplinary action, up to and including termination.

## Business Courtesy Exception Procedure

NSM employees or agents are required to obtain written approval from the appropriate SVP, RVP, EVP, and Director of Compliance before giving any gifts outside of the guidelines listed in this policy. Prior approval may be obtained via email to [compliance@nsmseating.com](mailto:compliance@nsmseating.com). Requests must include the intended recipient, the reason for the gift and the nature and retail value of the gift. The Director of Compliance will monitor gifts given to outside parties and received by NSM and its employees via random audits of expense reports and reports of gifts offered. Members of management who review and approve expense reports for payment will submit any questionable expenses for gifts or meals to the Director of Compliance. Any improper payments, gifts or meals will subject the employees involved to immediate disciplinary action, up to and including termination.

## References/Resources

The Anti-Kickback Statute under 42 U.S.C. § 1320a-7b  
Section 1128A(a)(5) of the Social Security Act  
Section 1877 of the Social Security Act (42 U.S.C. 1395nn)

## Definitions

Term	Definition
<b>Business courtesies</b>	<b>Business courtesies include gifts or other items of value. They include items of value given to another free of cost such as meals or other engagements.</b>
<b>Immediate family member</b>	<b>Immediate family member includes: husband or wife; natural or adoptive parent, child, or sibling; stepparent, stepchild, stepbrother, or stepsister; father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law; grandparent or grandchild; and spouse of a grandparent or grandchild.</b>

<b>Potential referral source</b>	Potential referral source includes: a Doctor of Medicine or osteopathy, a Doctor of Dental Surgery or dental medicine, a doctor of podiatric medicine, a Doctor of Optometry, a chiropractor, a physical therapist, an occupational therapist.
<b>Solicit</b>	Solicit means to request or ask for a business courtesy. NSM facilities may not receive business courtesies from potential referral sources or referral recipients, or their immediate family members.

### Policy History

Creation/Revision/Review Date	Author/Reviewer	Approved by	Description
12/09/2014	Compliance	Legal	Policy Created
01/19/2022	Matt Pierce, CCO	Compliance Committee	Updated definitions and limits