

AdvaMed Device and Diagnostics Compliance Group Benchmarking

January 2024

Meals

Answers Collated: January 31, 2024
Total Verifiable Completions: 26

BACKGROUND

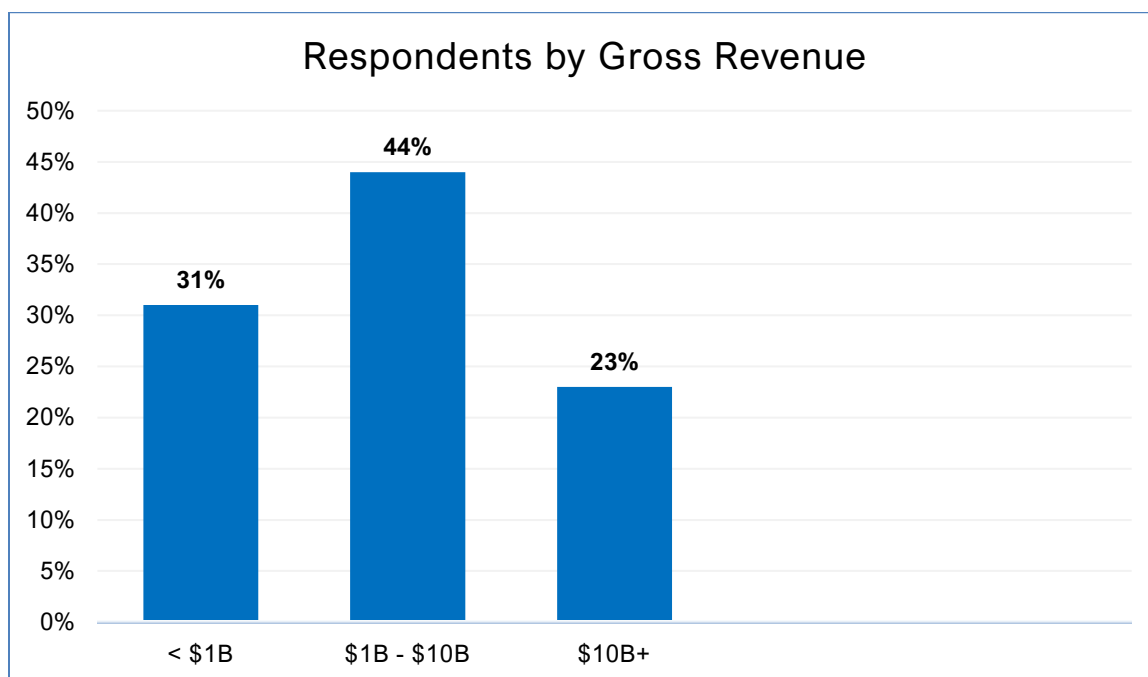
AdvaMed surveyed its member regarding their policies on meals with U.S. Health Care Professionals (US HCPs). Twenty-six (26) companies completed the survey in December of 2023. This document summarizes the survey responses, including additional commentary provided. The responses reflect a broad cross-section of company policies and are not intended to reflect all medical technology company policies on meals.

AdvaMed strongly encourages companies to adopt policies on meals provided to US HCPs, including addressing many of the aspects summarized in this benchmarking data.

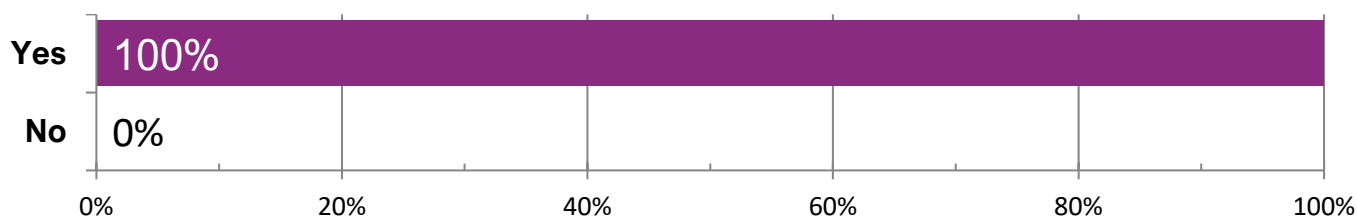
Note: AdvaMed periodically gathers and shares information from Member companies in order to assist companies in understanding industry trends and practices when the information is not competitively sensitive. In all cases, it is understood by AdvaMed and its Members that any company policy or practice that is adopted as a result of this sharing of information is done voluntarily and is a decision by the individual member. The information contained in this report is intended to provide benchmarking data on companies' existing policies only. It is not intended to endorse or mandate any one particular approach for medical technology companies' policies on providing meals to US HCPs

DEMOGRAPHIC INFORMATION

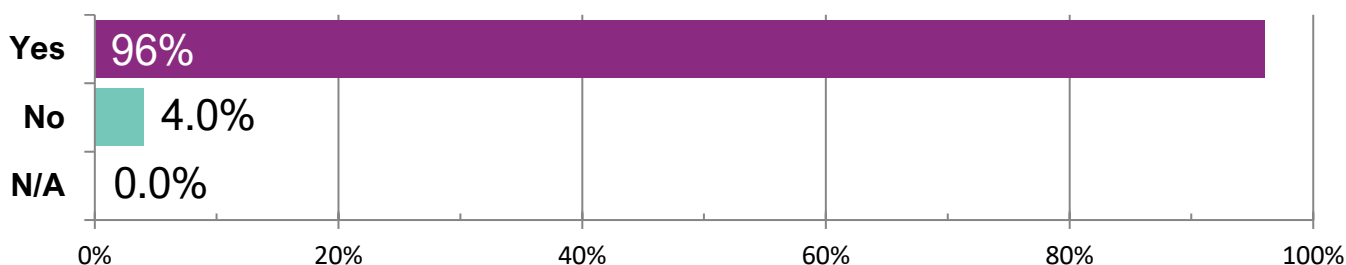
Respondents reflected a broad cross-section of company sizes (by annual gross U.S. revenue from device and diagnostics technologies) and sector:



1. Does your Company have a policy on providing meals to U.S. HCPs?



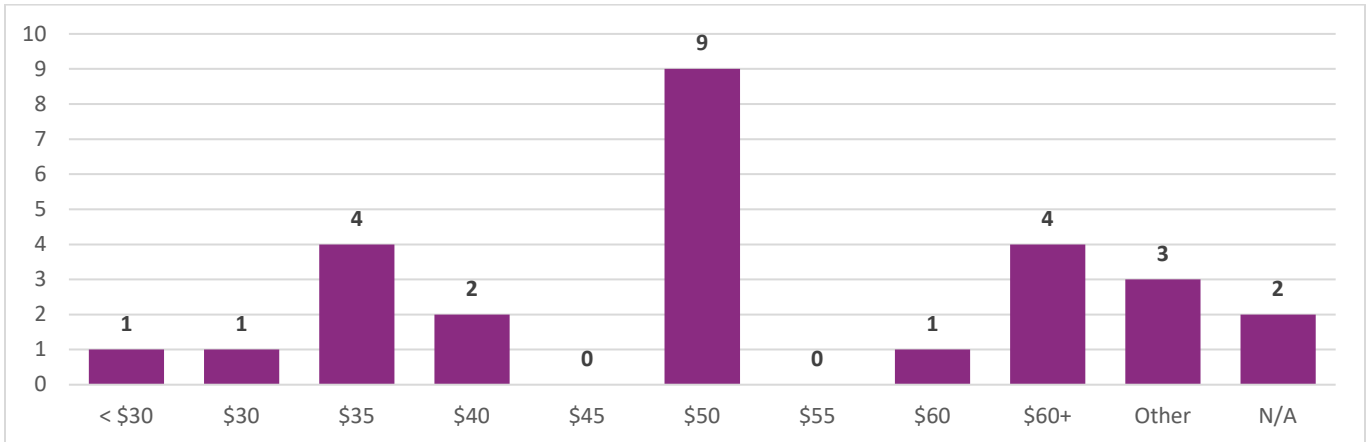
2. Does your Company's meal policy include per-person spending limits for meals with U.S. HCPs?



Comments:

- The Company does have a per-person spending limit for lunch/dinner, for coffee/snack and a daily spend limit. Special restrictions for HCPs licensed in the US states of Vermont and Massachusetts.
- \$200 per person for HCPs in the US, including tip and tax. No specific guidelines based on HCOL cities or region.
- Modest meal for a proper business purpose.
- Spending limit is in our expense policy not HCP policy.
- Average of \$140 / meal with HCP's.
- Breakfast - \$50 USD; Lunch - \$75 USD; Dinner - \$150 USD.

3. Breakfast Per Person Meal Limit (Outside / Not In-Office; Standard City)

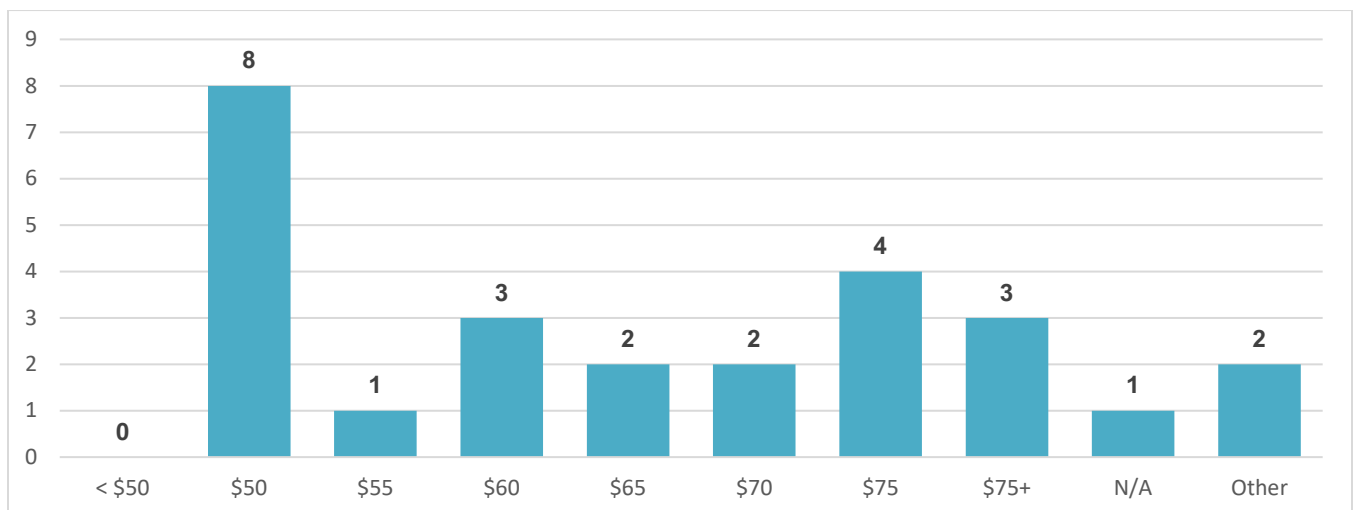


- The Breakfast Per Person Meal Limit ranges from \$25 to \$150 dollars, with 35% of respondents answering \$50, 15% answering \$35, and 15% answering \$60+.

Comments:

- \$35 per person standard city; \$40 per person high-cost city (excluding tax & tip).
- The Company doesn't have limit for breakfast but does have a limit for lunch/dinner, coffee/snack and a daily spend limit per person.
- We do not have a policy or guidelines on spend-per-person based on meal type or region. The \$200 PP for all meals with HCPs (mentioned in previous question) applies. We are in the process of updating our policies.
- Average of \$140 / meal with HCP's.
- In-office: \$25, Out-of-office: \$70.
- \$35 per person and this is across the US; we do not have meal limits by city.
- No spending limit for employee/non-HCP meals. HCP per person meal limit for breakfast is \$50 USD. No special city exceptions or high-cost city differences.

4. Lunch Per Person Meal Limit (Outside / Not In-Office; Standard City)

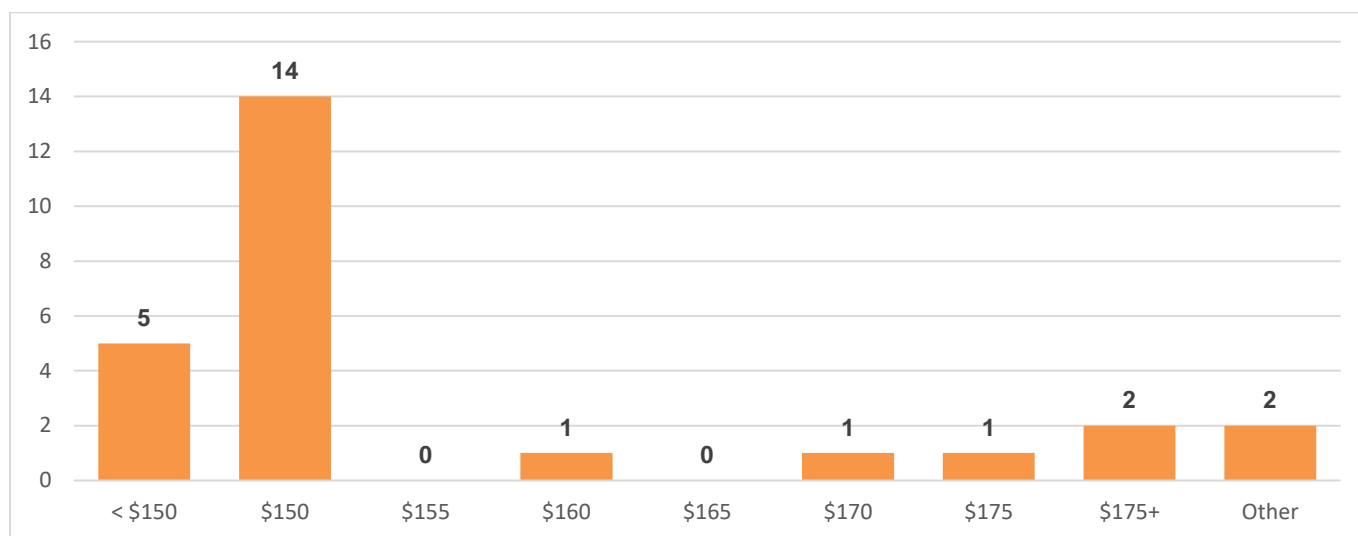


- The Lunch Per Person Meal Limit ranges from \$50 to \$150 dollars, with 31% of respondents answering \$50, 15% answering \$75, 12% answering \$60 and 12% answering \$75+.

Comments:

- \$55 per person standard city; \$60 per person high-cost city (excluding tax & tip).
- We do not have a policy or guidelines on spend-per-person based on meal type or region. The \$200 PP for all meals with HCPs (mentioned in previous question) applies. We are in the process of updating our policies.
- Average of \$140 / meal with HCP's.
- In-office: \$25, Out-of-office: \$70.
- \$35 per person and this is across the US; we do not have meal limits by city.
- No spending limit for employee/non-HCP meals. HCP per person meal limit for breakfast is \$75 USD. No special city exceptions or high-cost city differences.

5. Dinner Per Person Meal Limit (Outside / Not In-Office; Standard City)

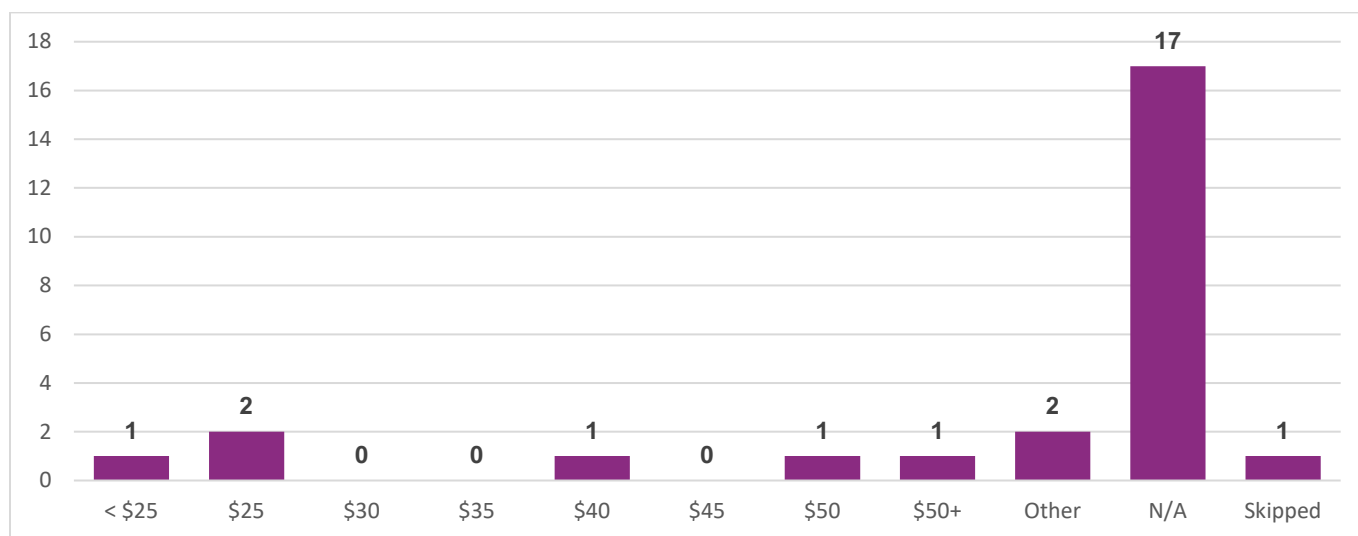


- The Dinner Per Person Meal Limit ranges from \$70 to \$200 dollars, with 54% of respondents answering \$150 and 19% answering < \$150. The most common response for limits < \$150 was \$125.

Comments:

- \$125 per person standard city; \$150 per person high-cost city (excluding tax & tip).
- Dinner - \$170 pp and \$190 pp in certain high-priced cities.
- We do not have a policy or guidelines on spend-per-person based on meal type or region. The \$200 PP for all meals with HCPs (mentioned in previous question) applies. We are in the process of updating our policies.
- Moderate and Non-lavish are the guiding principles.
- Average of \$140 / meal with HCP's.
- In-office: \$70, Out-of-office: \$150.
- \$150 per person including tax and tip and \$200 per person including tax and tip for higher geographic areas determined on a case-by-case basis.
- No spending limit for employee/non-HCP meals. HCP per person meal limit for breakfast is \$150 USD. No special city exceptions or high-cost city differences.

6. Snack Per Person Meal Limit (separate from breakfast, lunch, and dinner)

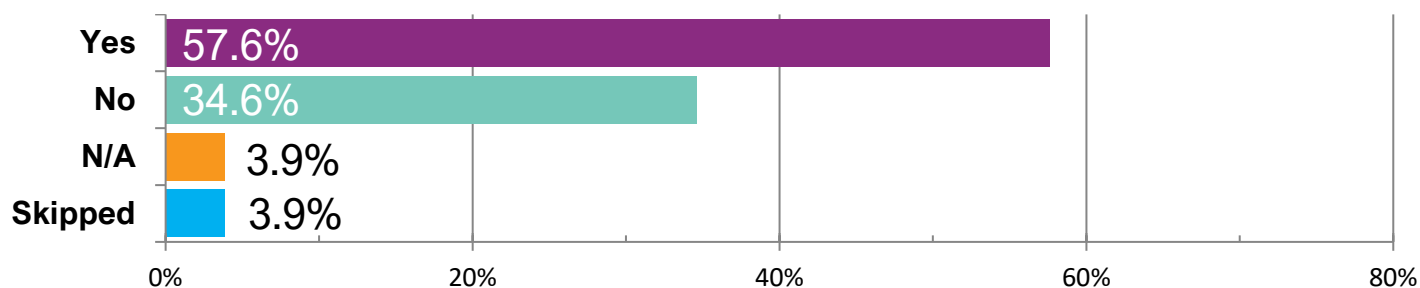


- The Snack Per Person Meal Limit ranges from \$10 to \$60 dollars, with 65% of respondents indicating that this is Not Applicable (N/A).
- Of these seventeen (17) N/A responses, 35% responded that they either do not have a policy or that they allocate \$0 towards snacks and 29% responded that they do not consider snacks as separate from a designated meal (breakfast, lunch, or dinner).

Comments:

- **9** Comments report that snacks would fall under other meal categories (breakfast/lunch/dinner) or that they do not have a policy on snacks:
 - Currently, if snacks are provided, they would fall under a meal category as we don't have a specified snack limit.
 - Snacks are covered within the existing limits for each of the three categories breakfast, lunch, and dinner.
 - Not separate from breakfast, lunch, dinner.
 - NA – we define it by meals.
 - Included in the \$75 daily cap for lunch. No specific limit for snacks/refreshments.
 - We do not have a policy or guidelines on spend-per-person based on meal type or region. The \$200 PP for all meals with HCPs (mentioned in previous question) applies. We are in the process of updating our policies.
- \$25 per person standard city; \$30 per person high-cost city (excluding tax & tip).
- Business discretion but within modesty.

7. Does your Company policy permit Company-provided meals during virtual events?



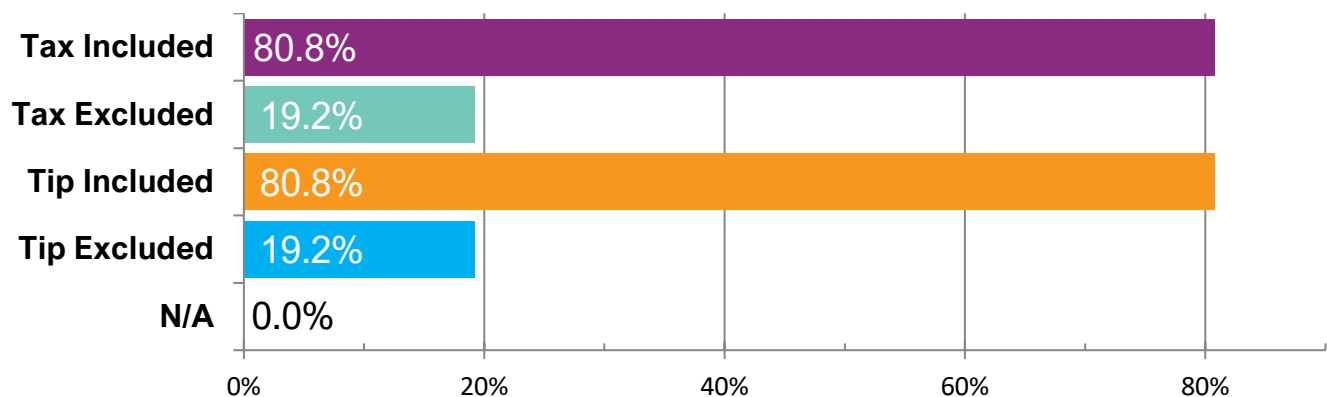
Comments:

- Several respondents noted various criteria for offering virtual events, including a company representative must be present, no food provided to private residences, no alcohol, and several event participants are attending the event at the same location (e.g., office conference room).
 - Same limits apply with the understanding there will be no extravagant takeout orders and no overages. Delivery fees and mobile phone app service fees do not count towards the total meal limit. Meals cannot be delivered to an individual's private residence. Attendees should be gathered in the same space(s) to be able to receive a meal (e.g., facility, restaurant, office, etc). Alcohol cannot be provided at a healthcare facility, regardless of it being a dinner. No gift cards can be provided to an attendee to cover the meal. Our employee should handle the ordering.
 - Virtual Business Meals have additional requirements: Manager's pre-approval prior to the virtual meeting; Meals may only be provided at the HCP's place of business; Alcoholic beverages are not permitted; Maximum \$50 USD per person for the meal (including tip and delivery fees); Confirmation of attendees before ordering to prevent over purchasing food; Virtual meeting must be held as a live video event; Verification of virtual attendees is required.
 - When sponsoring or facilitating a virtual event, Company's Workforce Members may provide meals to event participants if the following criteria are met: The event takes place during the time of a traditional meal (breakfast, lunch, or dinner); Several event participants are attending the event in the same location (e.g. conference room) and the meal is sent to the group; Spending per person limit for lunch/dinner is \$70 and \$10 for coffee/snacks as mentioned in the above Questions 8, 9 and 10.
 - For meal offerings in a virtual setting, meal credits cannot exceed \$25.00 per attendee including tax and tip; Meals can be delivered to audience members attending an event virtually (example via grub hub); The meals must be provided in the form of meal credits - Gift cards or vouchers are not permissible; The Company cannot select and order the meal and then provide Company with the invoice for payment; Meal credits that are unused or still contain a remaining balance must be returned to Company; Meal credits can only be used within the time period of the virtual meeting; Meals delivered to HCPs/Customers must be delivered to the place of business; Home deliveries are not permitted.
 - If the attendees are gathered in a common location (hospital break room, office, etc.) watching a live presentation with a representative in attendance, then a meal can be provided. If the virtual event is asynchronous, or viewable from locations other than a common location, then no meals are permitted.
 - Meals may be provided during virtual events, but they must be provided in the office/work environment at one location and no alcohol may be provided.
 - Meals provided as part of a virtual in-service program must be provided to and take place in an HCP office or other setting conducive to an educational discussion. If the meeting attendees are all virtual, then providing meals to each attendee is not appropriate. Providing meals to an HCP's home is

prohibited by policy.

- If the presentation is virtual but attendees are in person, then a meal may be provided.
- During COVID, there were limited times when exceptions were made to our policy to allow for providing meals during a virtual event. However, since the end of the pandemic, this exception would no longer be approved by compliance.
- Meals are permitted if company employees are present during the virtual event, for example in a conference room watching with them.
- Company representative must be present and collect attendance records for Sunshine reporting. No food delivery to attendee homes, only their place of business. All other policy requirements apply (modest, no spouses/guests, no entertainment or recreation, etc.)
- Meals are permitted to be provided at either the in-office or out-of-office meal limit amount if an associate is present with the HCPs (e.g., a virtual speaker presenting to a customer account).
- We do host a limited number of virtual lunch and learns. Rep and speaker must be present over Zoom, and office must complete and submit sign-in sheet reflecting who attended and took meal.
- Food is only to be provided when an employee is in person.
- During Covid. Same meal limits apply.
- We do not specify virtual or in-person.
- Not to personal residences.

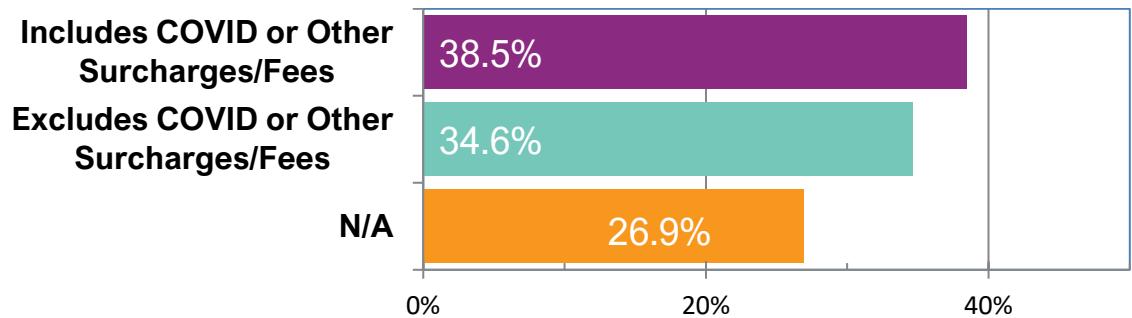
8. Do your meal spending limits include or exclude tax and/or tip from the calculation? (Select all options that apply)



Comments:

- \$200 PP inclusive of tip and tax.
- When limits include tip, the waitstaff will help you stay in limit.
- Delivery charges included.

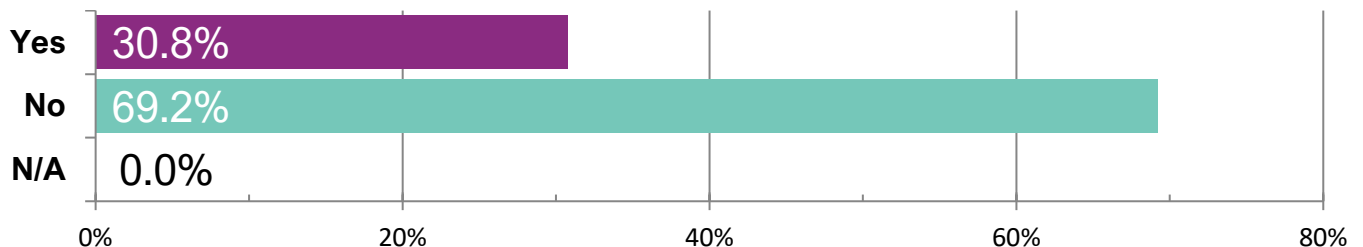
9. Do your meal limits include COVID or other surcharges/fees (e.g., a health service fee)?



Comments:

- COVID Exceptions Committee reviews all COVID related expenses.
- Any such charges are taken into consideration when evaluating a meal limit violation and what action to take against an employee, if any (for example if the COVID charge was the sole reason the limit was exceeded).
- We treat such fees as “tax and tip” and exclude from our limits.
- This item is not expressly called out as “included or excluded” but we would interpret this to be a tax or fee and a part of the meal expense.

10. Do your meal spending limits vary based on geography within the United States? *For example, meals in certain regions/cities are subject to a higher limit*



Collectively, respondents identified the following among the higher cost cities/areas among those subject to a higher meal limit:

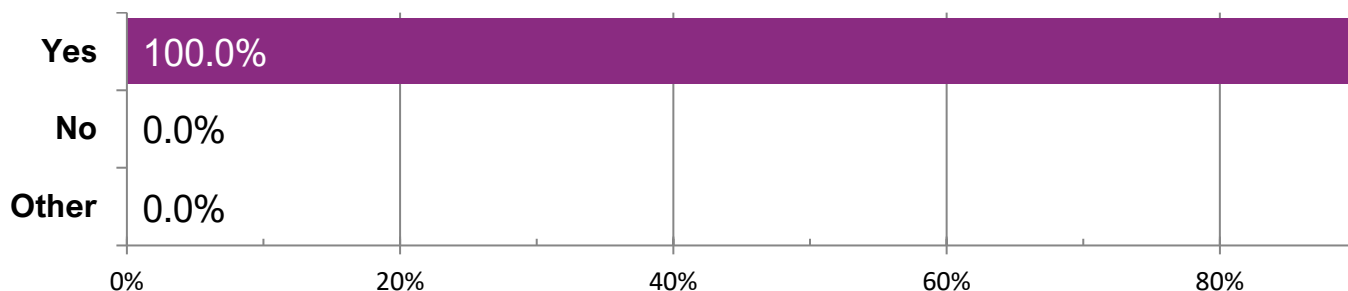
- | | | |
|-----------------|---------------------|---------------------|
| • Anaheim, CA | • Houston, TX | • Phoenix, AZ |
| • Atlanta, GA | • Las Vegas, NV | • San Diego, CA |
| • Baltimore, MD | • Los Angeles, CA | • San Francisco, CA |
| • Boston, MA | • Miami, FL | • Scottsdale, AZ |
| • Chicago, IL | • New York City, NY | • Seattle, WA |
| • Dallas, TX | • Orlando, FL | • Washington, DC |
| • Denver, CO | • Palo Alto, CA | |
| • Honolulu, HI | • Philadelphia, PA | |

Comments:

- Where higher meal limits apply, limits range from \$175 - \$200.
 - Special restrictions for HCPs licensed in the US states of Vermont and Massachusetts.
 - Vermont. Except for coffee or other snacks or refreshments provided at a booth at a conference or seminar, the Company shall not provide a meal to a Vermont Healthcare Provider unless: • the meal is provided as part of compensation for bona fide consulting services authorized under the internal Business Courtesies Portal Policy; or • the meal is provided as reasonable reimbursement of training-related expenses authorized under the internal Business Courtesies Portal Policy; or • the Vermont Healthcare Provider pays the company for the cost of the meal. Massachusetts. Except for coffee or other snacks and refreshments provided at a booth at a conference, the Company may provide meals to Massachusetts-Licensed Healthcare Practitioners only if the meal is: • modest; and • occasional; and • provided in conjunction with a meeting whose primary purpose is to educate and inform health care practitioners about the benefits, risks and appropriate on-label uses of Company's products, related disease states or other scientific information.
 - The higher meal limit is \$190 per person in the following higher-priced cities Atlanta, Baltimore, Boston, Chicago, Dallas, Denver, Honolulu, Houston, Las Vegas, Miami, New York City, Orlando, Philadelphia, Phoenix, Scottsdale, Seattle, Washington DC and cities in California, such as Anaheim, Los Angeles, Palo Alto, San Diego, and San Francisco.
 - Higher-priced cities Atlanta, Baltimore, Boston, Chicago, Dallas, Denver, Honolulu, Houston, Las Vegas, Miami, New York City, Orlando, Philadelphia, Phoenix, Scottsdale, Seattle, Washington DC and cities in California, such as Anaheim, Los Angeles, Palo Alto, San Diego, and San Francisco. Also count 20-30 miles outside the higher priced cities as \$190 pp.
 - We researched geographical areas having expensive restaurant prices. We also polled Sales leaders to pulse where their teams struggle to come in under the standard limit. Our current U.S. expensive cities/areas include: Boston (includes Cambridge), Chicago (includes Highland Park and Park Ridge), Honolulu (includes other HI municipalities), Las Vegas, Los Angeles (includes Beverly Hills, Brentwood and Santa Monica), Miami (includes Jupiter and Palm Beach), New York City, Phoenix (includes Scottsdale), San Diego (includes La Jolla), San Francisco (includes Menlo Park and Palo Alto), and Washington D.C. (includes Arlington and Fairfax).
 - New York, San Francisco, Dallas, Houston, Miami, London, San Diego.
 - While we don't define them, it is generally understood as: NY, Chicago, DC, Las Vegas and similar locations. Also acceptable to go to the higher limit for Kosher meals.
 - The city must rank in the top 5% of Internal Total Meal Spend for the prior calendar year. The average of the city's meal spend not on HCP premises is greater than the average of the top 5% cities meal spend off premises for the prior calendar year. The city must be included in the top 100 BTN meals rankings for the most recent published year. The location exceeds the United States General Services Administration (GSA) Per Diem by 10% or more for the most recent year available.
 - Meal limits are higher in identified regions/cities that are considered "high-cost cities" in the U.S.
 - We have identified certain cities/metro areas that are prohibitively expensive (e.g., New York, San Francisco). For those cities/areas, the limit is \$175 per person.
 - Yes. In exception cities will allow up to \$185.00 with manager pre-approval.
 - \$150 per person including tax and tip and \$200 per person including tax and tip for higher geographic areas - which we do not define what those geographic areas are.
 - High-cost cities; 30-mile radius around the high-cost city.

- No, but in 2024, we may be making adjustments to this.
- Considering changing that to localized approach.

11. Does your Company have a policy/guidance on the type of venue for meals (e.g., entertainment venues)?

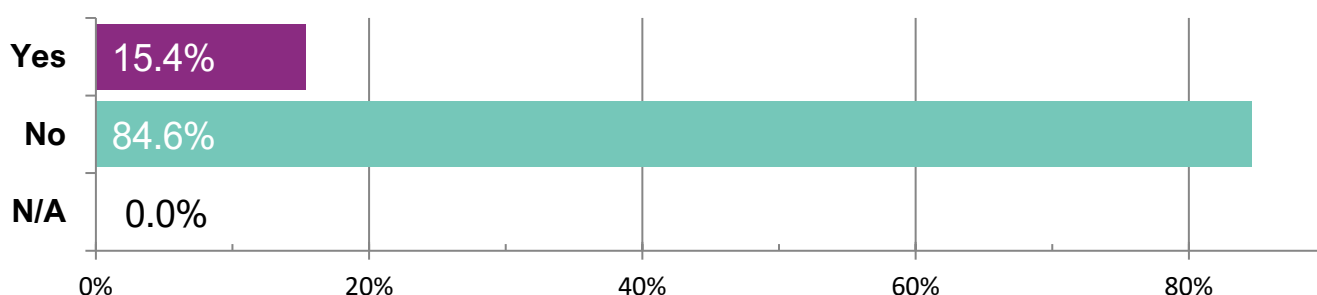


Comments:

- Respondents generally noted that venues must be conducive to conducting a legitimate business meeting/discussion, consistent with the AdvaMed Code, and not “entertainment” venues.
 - Settings must be conducive for professional business meetings and should not be entertainment or recreational in nature. Spas, casinos, nightclubs, and golf courses are specific examples of inappropriate settings.
 - Event locations must be conducive to conducting a legitimate business meeting or discussion, and excludes bars, live music venues, resorts, nightclubs, casinos, sporting, other entertainment and recreational venues, as well as private residences and similar locations.
 - The food or beverage is secondary in both time and focus to the business purpose for meeting: Consumption occurs in a venue and manner conducive to the effective transmission of information, and the presentation of scientific, educational, or business information. Examples of appropriate settings are at the HCP’s or Customer’s place of business (e.g., hospital, nursing home, and physician office), or an independent venue such as a modest hotel, modest restaurant, conference center, or other similar appropriate meeting facility.
 - Meal limits and thresholds apply to all activities for which the Company, Company’s Channel Partners, or Company’s Controlled Consultants provide food or beverages or are hosting recipients in connection with a scientific or business, educational event, presentation or discussion.
 - Must be modest and conducive to a learning environment (No Top Golf, Casinos, Country Clubs etc.).
 - The Meal or Refreshments must not be part of an Entertainment or Recreation event.
 - In our policy and training, we state absolutely no entertainment or recreation venues.
 - Meal or refreshments may not be part of an entertainment or recreational event.
 - No personal residence, entertainment venues etc.
 - The venue must be conducive to the sharing of information in a bona fide business meeting.
 - We prohibit venues that offer entertainment/recreation (e.g., no breweries). If the location is Las Vegas, there must be a separate entrance so that no attendees walk through a casino.
 - The venue should not be the main attraction of the event. Location must be conducive to the exchange of business information.

- Venues must be conducive to the educational and business discussions (i.e. private room with video capabilities, etc.).
- No high-end restaurants or entertainment venues.
- Must be conducive for conducting business, non-entertainment venues, no casinos.
- Business appropriate venues only - no gambling, entertainment, sporting or spa venues.
- Venue must be conducive to an educational or business discussion. No entertainment or resort venues.
- Appropriate for the program.

12. Do your meal spending limits vary based on the setting of the meal (for example, a restaurant meal vs. a meal subordinate to an in-service program at a doctor's office)?

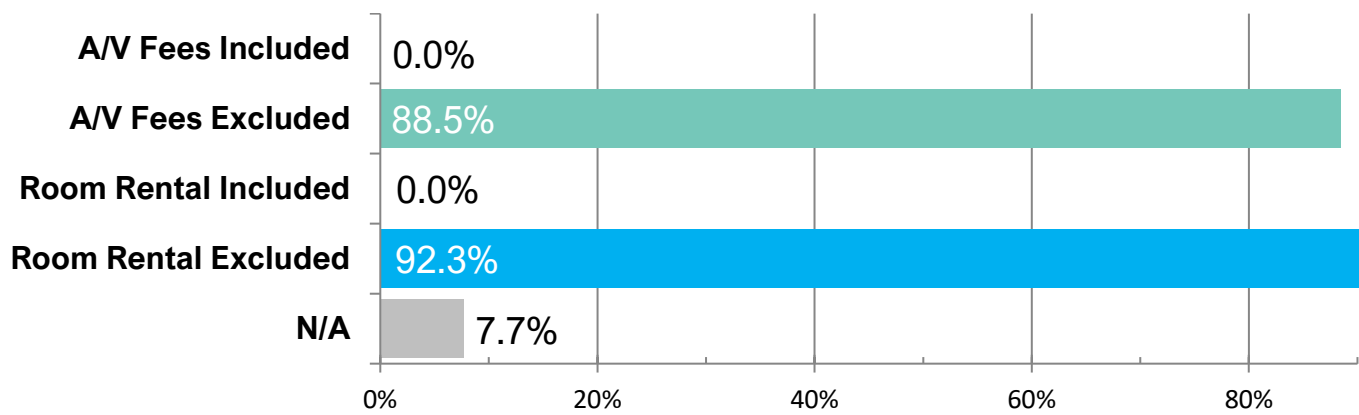


Comments:

- One comment conveyed the following limits:
 - In-office customer interaction:
 - Lunch/Dinner: \$25
 - Coffee/Snack: \$10
 - Value of meals (USD) All day spend limit per person including taxes, gratuities/tips: \$60
 - Out-of-office customer interaction:
 - Lunch/Dinner: \$70
 - Coffee/Snack: \$10
 - Value of meals (USD) All day spend limit per person including taxes, gratuities/tips: \$150
 - Funding for meetings:
 - Lunch/Dinner: \$70
 - Coffee/Snack: \$10
 - Value of meals (USD) All day spend limit per person including taxes, gratuities/tips: \$150
- One comment conveyed the following limits:
 - In-office:
 - Breakfast/Lunch: \$25
 - Dinner: \$70

- Out-of-office:
 - Breakfast/Lunch: \$70
 - Dinner: \$150
- No alcohol allowed at in-service programs at a doctor's office.
- Meals ON HCP premises, including breakfast, lunch, dinner and/or snacks, can cost no more than US \$60 per person. Dinners with HCPs that are NOT on HCP premises can cost no more than US \$150 per person, including tax and gratuity.
- Limit is \$25/pp in doctor's office.

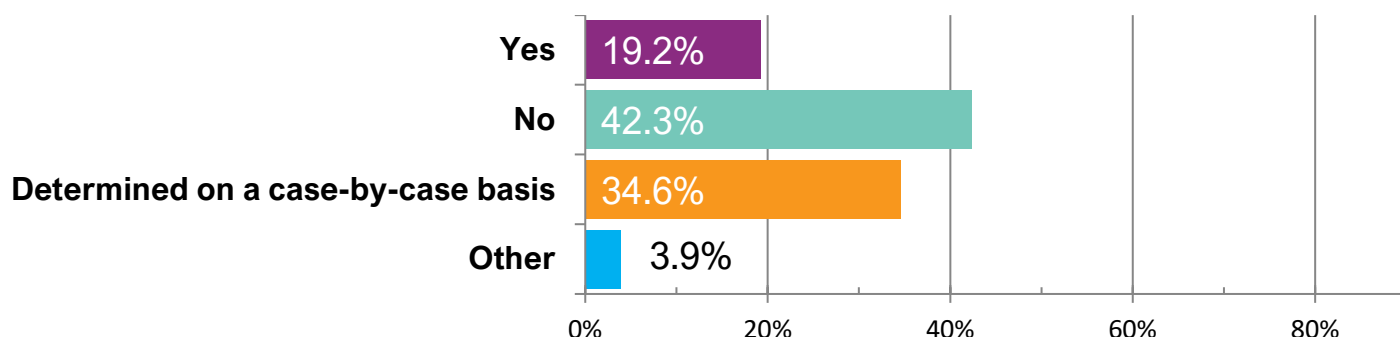
13. Do your meal limits include A/V & Room Rental fees?



Comments:

- The reps are to enter this as a separate expense outside of meals and beverages.
- Audio visual fees and room rental costs are considered overhead for the program/event.
- A/V fees and room rental fees excluded unless room deposit is applied to food/bev.
- Room rental is a separate charge.
- No specific designated limit but these fees must be “reasonable.”

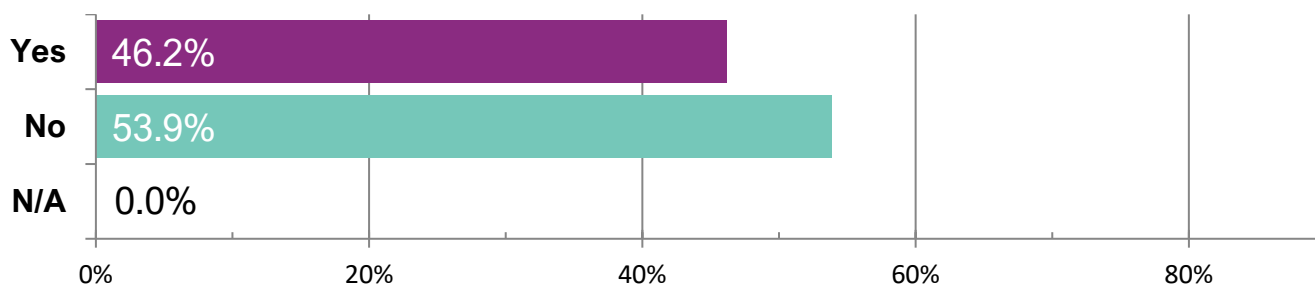
14. Does your Company have a separate policy or provide for meal limit exceptions for third-party organized large business meetings, educational, training, or other events taking place at a hotel or other venue where food and beverage costs are higher?



Comments:

- **7** respondents note exceptions are available for certain events/circumstances. Some additional details are below:
 - Automatic exception for business meals during larger third-party medical conferences, as long as all conditions are met: designated employee from our events team must manage all arrangements (e.g. restaurant selection); a prix fixe menu must be used; a contract/agreement with the restaurant/venue must be in place; company-created sign-in sheets must be used and all HCP attendees must sign-in; and all supporting documentation must be included in the employee's expense report record.
 - The Policy takes into account that banquets at hotels often exceed the company's breakfast and lunch limits, so a higher per-person spend is permitted in those situations.
 - An exception for receptions at hotels during large conferences.
 - Not for third-party events, but we do have a meal limit exception for our own educational events.
 - We have an exception process. We approve exceptions as long as the hotel is appropriately "modest."
 - We assess as they are planned and usually provide exceptions because the fees are so numerous and the food costs are so high.
 - This could fall under our exception process to our policies, but there is no specific exception process for this scenario.
- **3** respondents noted that reviews are done on a case-by-case basis. Some additional details are below:
 - While no policy, we do look at each incident on a case-by-case basis.
 - No, however, we would review third-party programs on a case-by-case basis if outside of policy.
 - Exceptions are approved by Compliance on a case-by-case basis.
- We review all external funding requests and ensure that the detailed event budget only covers modest meals, nothing lavish. It's also a required representation in our external funding contracts.
- Pre-approval by Chief Compliance Officer required.

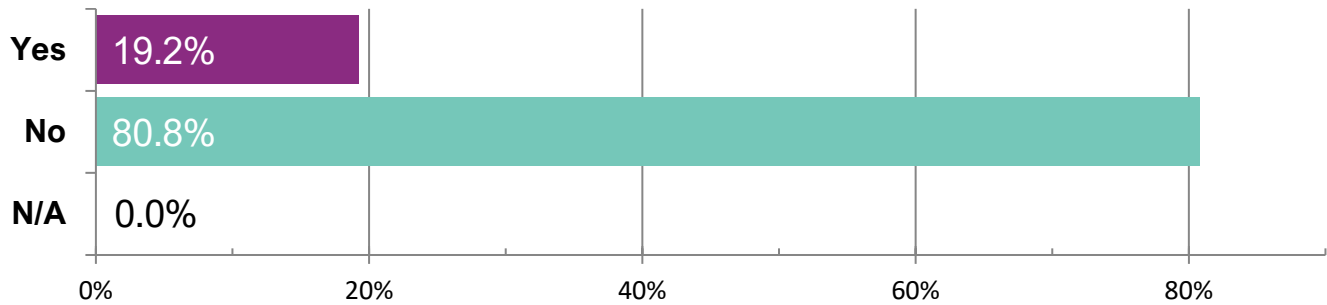
15. Does your Company policy include a frequency cap and/or dollar amount cap (other than California) with respect to meals an employee can provide to a specific HCP?



Comments:

- Meals must be modest and occasional.
- 1- Dollar amount cap is mentioned in above answers. 2- Special restrictions for Massachusetts. Except for coffee or other snacks and refreshments provided at a booth at a conference, the Company may provide meals to Massachusetts-Licensed Healthcare Practitioners only if the meal is: modest; and occasional; and provided in conjunction with a meeting whose primary purpose is to educate and inform health care practitioners about the benefits, risks and appropriate on-label uses of Company's products, related disease states or other scientific information.
- Our guidelines do state modest and occasional and when auditing we have questioned meal frequency.
- No, not other than the state of CA.
- A Team Member may not spend more than a total of US\$1000 per calendar year per HCP for all meals or other refreshments. Our policy is that meals should only be provided "occasionally" but a specific number is provided.
- Must be occasional – guidance is not more than once a quarter.
- We specify in the policy that meals should be infrequent.
- Though monitored on a quarterly basis for outliers and potential problematic activity.
- One of our divisions is covered by the Stark Law and the \$489 federal yearly limit.
- We plan to phase this out.
- Guidance on frequency is generally no more than 2 times per quarter.
- We follow the guidelines in the Code but do not set caps on how often and capping the annual spend.
- We do not provide a specific number, but policy says infrequent.
- \$1,500 per year.
- We have a cap on total spending (nonmonetary and monetary) per HCP per year.
- Limited to occasional.
- We use a reasonability standard.
- Maximum of 18 meal interactions, per employee, per calendar year.
- We adhere with the limits described in the non-monetary compensation exception as contained in the Stark Act.

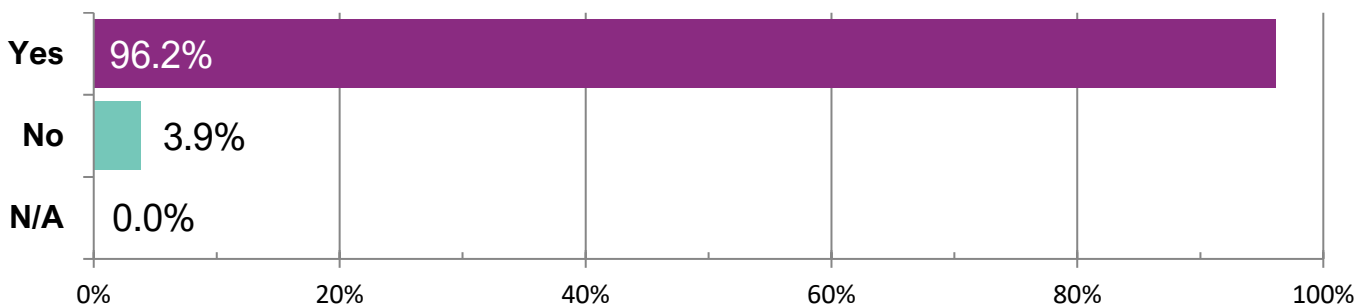
16. Does your Company have a requirement that there must be a minimum ratio of employees to U.S. HCPs at a meal?



Comments:

- All meals provided outside of an HCP's place of business must have a ratio of HCP attendees to Team Members of no more than 5:1.
- For Customer Meals the ratio is 5:1 for every 5 guests there must be at least 1 Company representative.
- 4 to 1 ratio (4 employees to 1 HCP).
- At least one associate must be present.
- Must be reasonable and allow meaningful interactive discussion.

17. Does your Company policy permit the purchase and provision of alcohol at meals where HCPs are present?

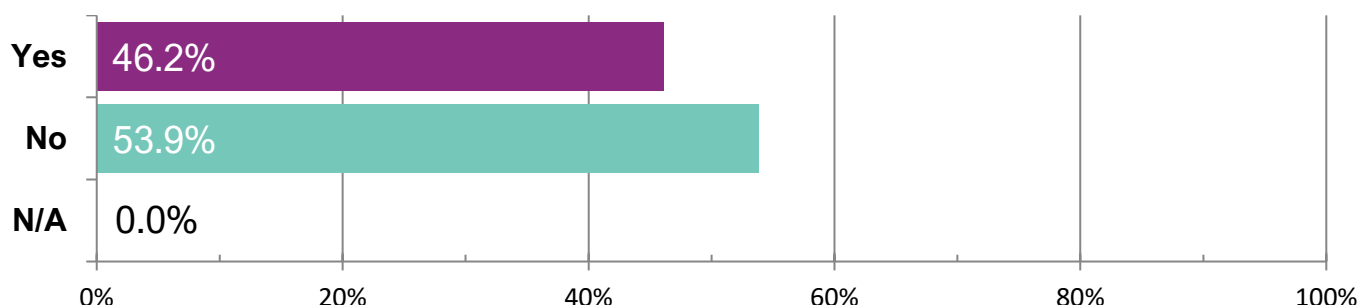


Comments:

- 2 drink maximum.
- Limit of 2 alcohol drinks per person at dinner only.
- Alcohol consumption must be modest. 2 glasses of beer/wine per person is always considered modest. Anything other than that (greater quantity, other types of alcohol) will be considered on a case-by-case basis.
- Alcohol consumption should be moderate and reasonable (guidance of 1-2 drinks or 30% of the bill).
- We cap alcohol spend to no more than 20% of the bill.

- Reasonable and modestly priced alcohol allowed at HCP dinners. Alcohol limited to 1 drink (beer and wine only) per HCP at speaker programs.
- Modest in cost: no premium liquor brands and wine not more than \$100 per bottle. Must be at appropriate venue (restaurant) and no alcohol should be consumed during work hours, e.g. HCP business lunch meeting.
- Alcoholic drinks with meals are permissible as long as it is within the spend limits.
- The policy specifies that excessive and expensive alcohol may not be provided or consumed.
- Yes, unless at an in-service or speaking program.
- Reasonability standard.

18. Does your Company policy regarding the provision of alcohol differ for different events (i.e. are there settings/activities where provision of alcohol is not permitted)?

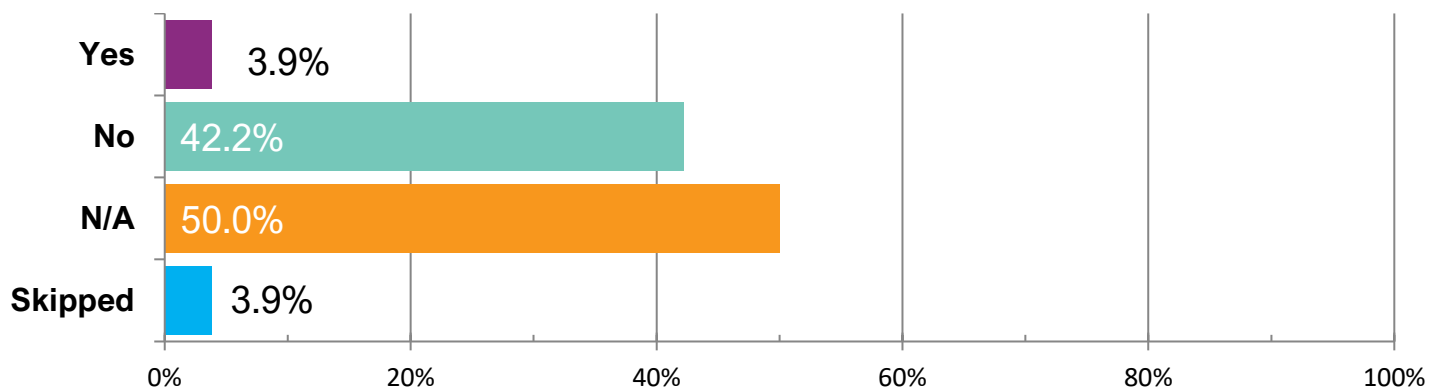


Comments:

- Several respondents noted that alcohol is not permitted during business meetings, educational events, speaker programs, and/or during regular business hours.
 - Alcohol cannot be delivered to/provided in a healthcare facility.
 - Alcoholic refreshments are not permissible at company business meetings during the course of a regular workday. Alcohol refreshments are not permitted during virtual meetings.
 - Alcohol is not permitted during educational events but is allowed afterwards if a dinner/meal is provided.
 - Per training to employees, no alcohol is to be provided or served at educational events.
 - Not permitted at education or promotional speaker programs.
 - If product training, no alcohol permitted. If a speaker program on a topic associated with our technology (e.g., disease state, therapy awareness), we permit limited quantities of modestly priced beer and wine, but no liquor.
 - Guidance is to consider the timing. For example, if prior to a hands-on training, it would be inappropriate to provide alcohol.
 - Alcohol is prohibited in conjunction with certain meals (e.g., in-office or speaker programs).

- Alcohol may not be provided at meals during technical training events.
- Educational - alcohol not allowed.
- Alcohol is prohibited at HCP speaker programs. We define an HCP speaker program as one where an HCP is presenting to an audience of other HCPs.
- Must be at appropriate venue (restaurant) and no alcohol should be consumed/purchased during work hours, e.g., HCP business lunch meeting.
- Standalone alcohol not permitted.
- Permissible: Alcoholic drinks with meals are permissible as long as they are within the spend limits. Not Permissible: It is not permissible to provide bottles of wine as gifts, provide wine at a booth or take Customers to a bar.
- We prohibit meetings altogether at certain types of venues. But, when a venue is okay, alcohol is permitted.

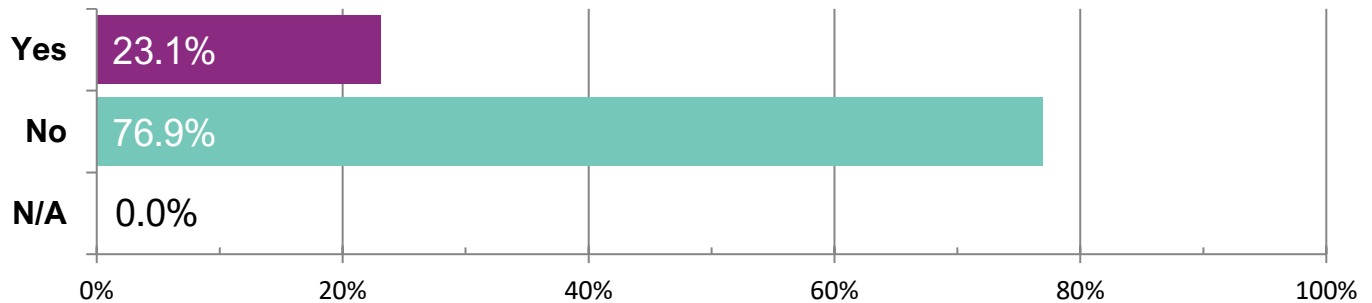
19. If your Company policy prohibits alcohol in certain settings, does your Company have alcohol available for purchase by HCPs (e.g., cash bar provided by Company)?



Comments:

- We don't host cash bars but if in public venue - may purchase from bar.
- Policy would not permit cash bars.

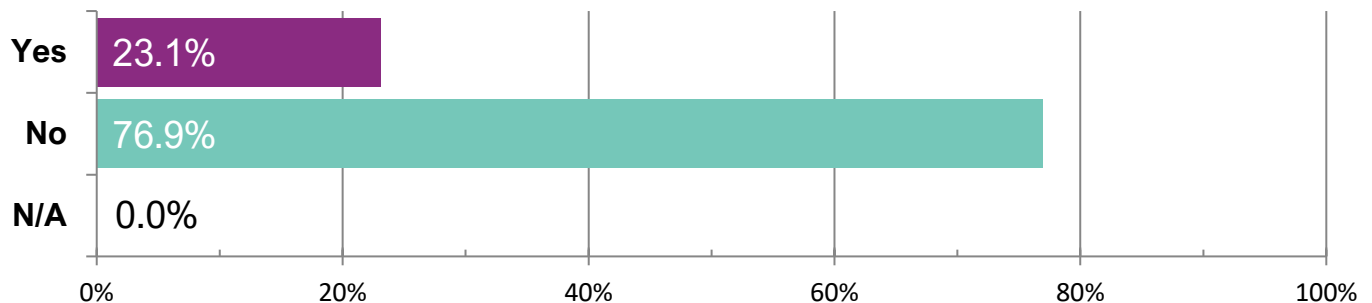
20. Does your Company policy limit the time of day when alcohol can be provided?



Comments:

- No alcohol permitted during the course of a regular workday.
- Alcoholic drinks with meals are permissible.
- Only permitted in conjunction with a dinner meal.
- Dinner only.
- No time-of-day rule has been formalized, but alcohol consumption is investigated further if the business meal concluded before 5 pm and alcohol is generally not approved with meals other than dinner.

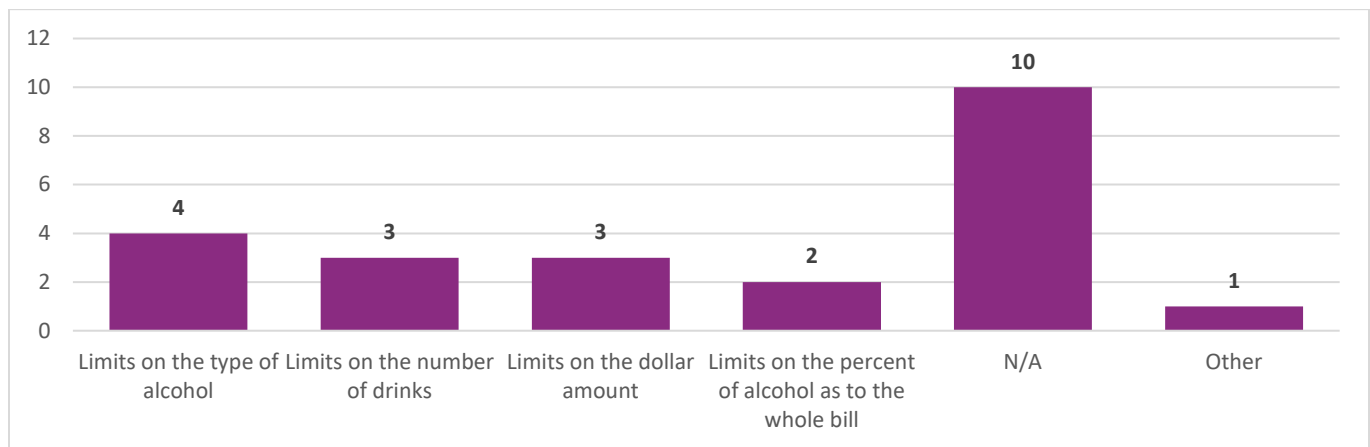
21. Does your Company policy have a specific alcohol spend limit?



Comments:

- Alcohol purchases exceeding 50% of the total bill are investigated further.
- 20% of the total bill and within the per person meal limits.
- 1-2 standard drinks per person.
- Alcohol spend should not exceed food spend for the business dinner.
- Policy specifies no excessive or expensive alcohol.
- No, but drinks or drinks and apps subject to snack limit.
- Reasonableness standard; total cost (inclusive of food and alcohol) must be within meal limits.
- Must still stay within dinner limit and if there is alcohol at a dinner that goes over the limit, we look at price of alcohol and may issue a violation due to cost not being modest of excessive alcohol.

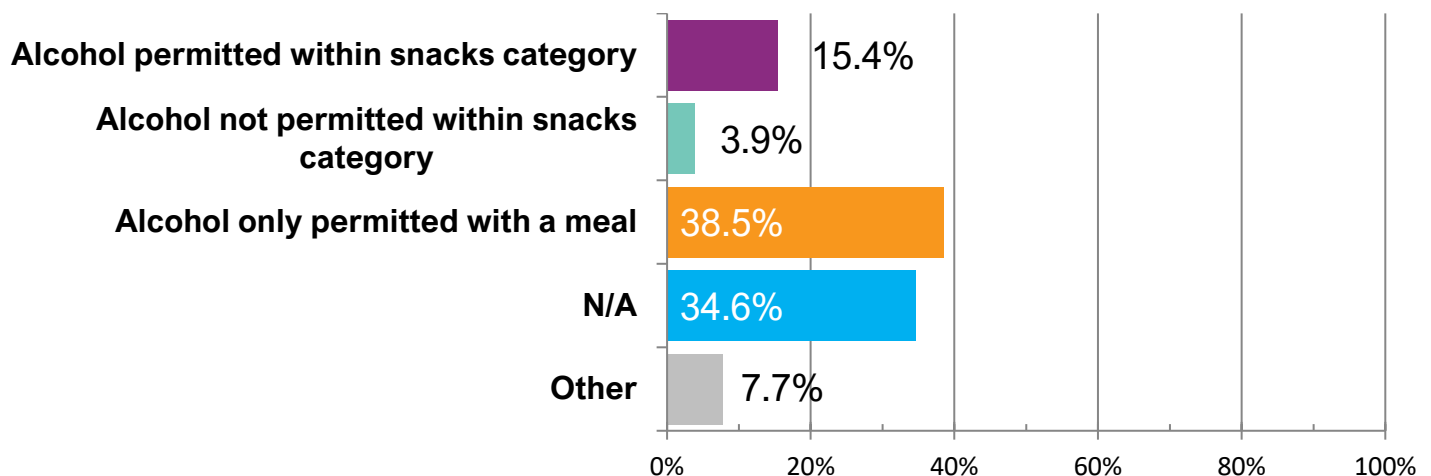
22. If you answered yes to the previous question, please describe the spending limits (e.g., type of alcohol, dollar amount)? *Select all that apply*



Comments:

- \$25 maximum per drink; 3 drinks maximum per person; \$100 maximum per bottle of wine.
- No premium brand liquor. Wine not to exceed \$100 per bottle.
- Should be reasonable and kept to a minimum. Only bottles permitted are wine and must be under \$75 per bottle.
- Alcohol purchases exceeding 50% of the total bill are investigated further.
- Alcohol spend should not exceed the food spend.

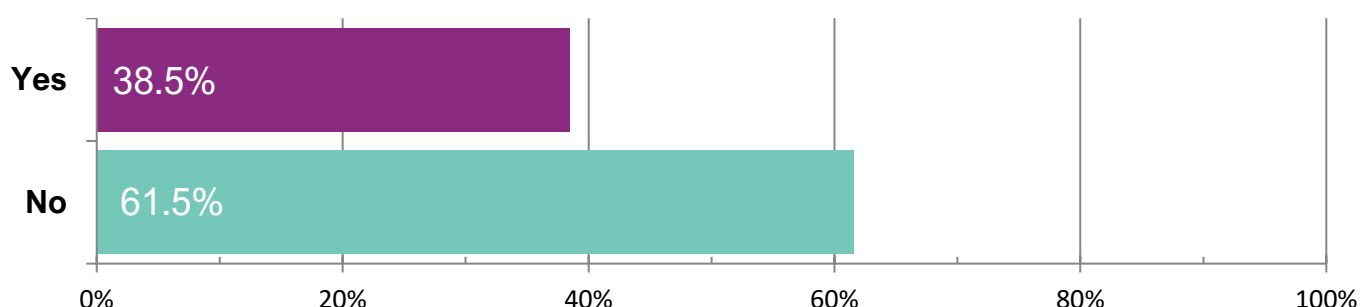
23. Does your Company policy permit alcohol to be submitted within the snack category or only associated with a permitted meal?



Comments:

- 3 respondents noted that they do not have a snack category and snacks would fall within a meal.
- No alcohol permitted during the course of a regular workday.
- Drinks only is allowed, usually only at conferences or meetings before a meal because HCP already has dinner plans.
- We don't prohibit alcohol-only expense reimbursement for HCP expenses, however, the company would not have a program or provide alcohol only and no food. Alcohol would normally be in connection with a meal.

24. Does your Company policy permit alcohol-only interactions (e.g., drinks only without a meal)?



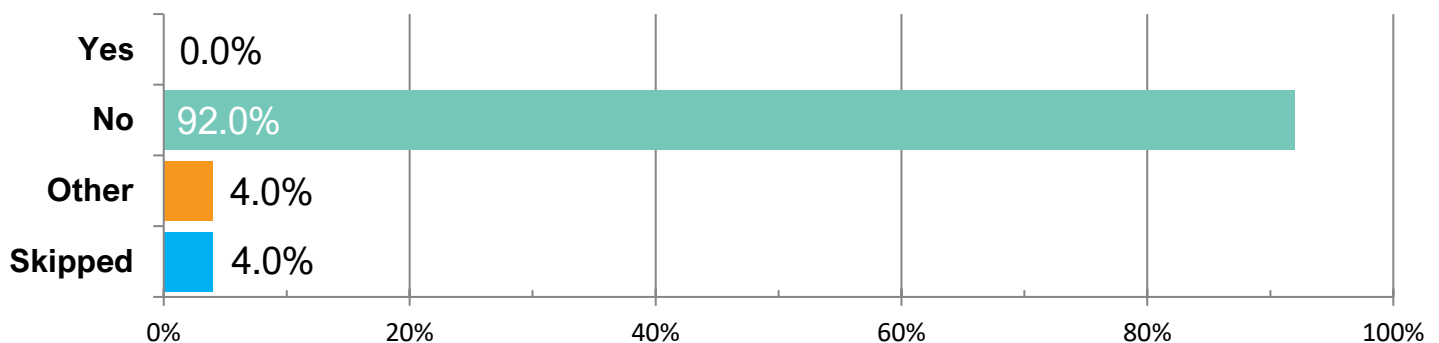
Comments:

- 3 respondents noted that although not expressly discussed in written policy, alcohol-only interactions are generally prohibited. Some additional details are below:
 - Our written policy does not expressly address this, but we train employees that alcohol-only interactions are prohibited.
 - Not formally in our policy, however, we trained our employees that meals should be included with alcohol and not just an alcohol-centric outing.
 - Policy per se does not prohibit but reps are guided to avoid alcohol-only interactions.
- 4 respondents noted that alcohol-only interactions are permitted at conferences/meetings. Some additional details are below:
 - Alcohol-only interactions are permitted only at large congress-type events.
 - Drinks only is allowed, usually only done at conferences or meetings before a meal because HCP already has dinner plans.
 - During third-party medical conferences, drinks-only meetings are permitted for shorter interactions in the early evening when it's the only opportunity for the employee to meet with the HCP.
 - If there is a legitimate business discussion, our policy would permit this; often occurs when HCP is only available for a quick drink (e.g., at a medical conference).
- Modest and occasional.

AdvaMed Compliance Groups Benchmarking | January 2024 | Meals

- We focus on the propriety of the venue, but it would be okay for a Rep to have a drink with an HCP with no food.
- There are cases where business is discussed over a glass of wine/drink without meals; we would review these on a case-by-case basis.
- Permissible: Alcoholic drinks with meals are permissible as long as it is within the spend limits.
- Yes, but alcohol purchases exceeding 50% of the total bill are raised for further investigation.

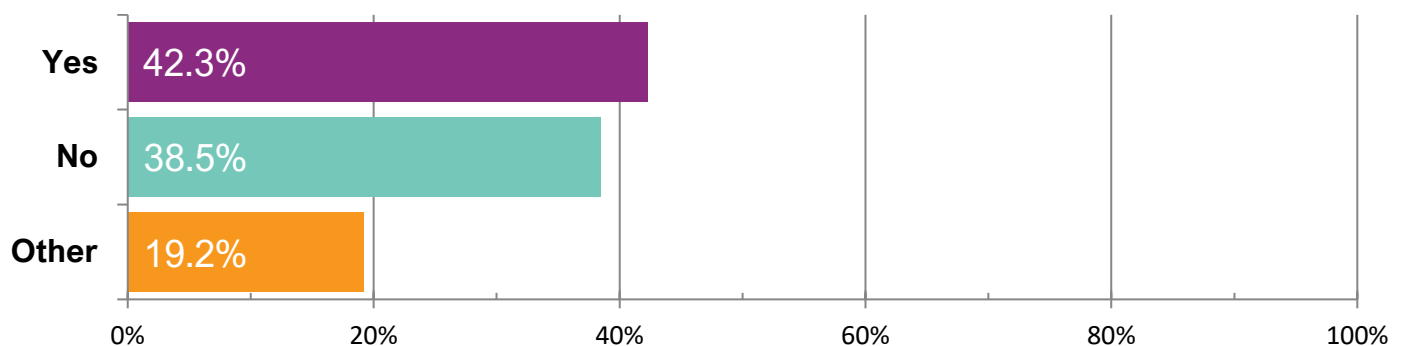
25. Does your Company policy permit employees to use their personal funds to cover the cost of meals with HCPs?



Comments:

- No and personnel may not personally pay for additional alcohol in order to circumvent this policy.
- We do not have company credit cards. Employees are reimbursed for HCP meal expenses with required documentation.
- Not formally in our policy, however, we trained our employees that they cannot circumvent the guidance of \$200PP with their personal funds.
- Our written policy does not formally address this, but we train employees that they should not use personal funds to cover the cost of meals.

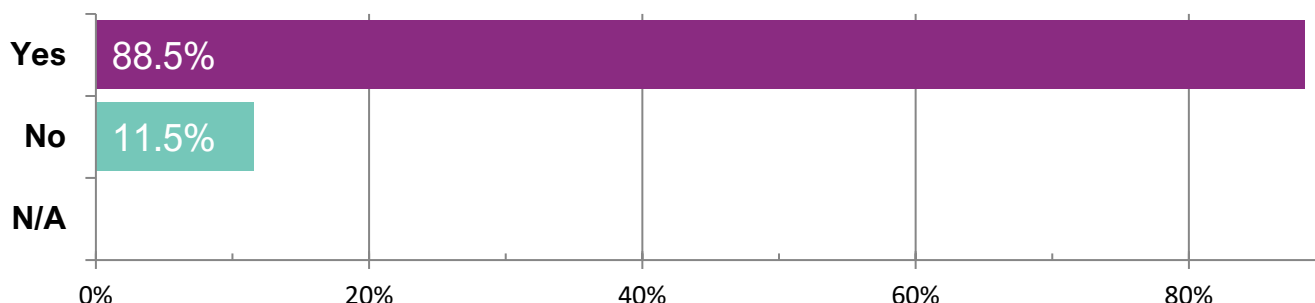
26. Does your Company policy permit HCPs to cover a portion of their meal?



Comments:

- HCP can pay for their entire meal separately or purchase an additional item separately as long as the overall meal is modest.
- HCPs are permitted to purchase food/alcohol on their own when an HCP prefers to do so; or when an HCP opts to purchase food/alcohol outside of a predetermined event menu.
- HCPs must allow the Company to purchase the meal or must pay for his/her meal separately in its entirety; an HCP cannot pay for only a portion of his/her meal.
- An HCP may personally pay for his or her own meal. But they could not personally pay for an excess amount in order for the employee to come in under the policy meal limit. The meal must always be modest.
- Only at time of meal per CMS guidelines.
- No written policy but HCP is allowed to purchase their meal or beverage of choice.
- We don't cover this in our policy, however, would allow physicians to pay their own way out-of-pocket if they'd prefer.
- No formal policy on this but we are mindful of not circumventing meal policy limits.

27. Does your Company prohibit splitting checks at U.S. HCP meals?

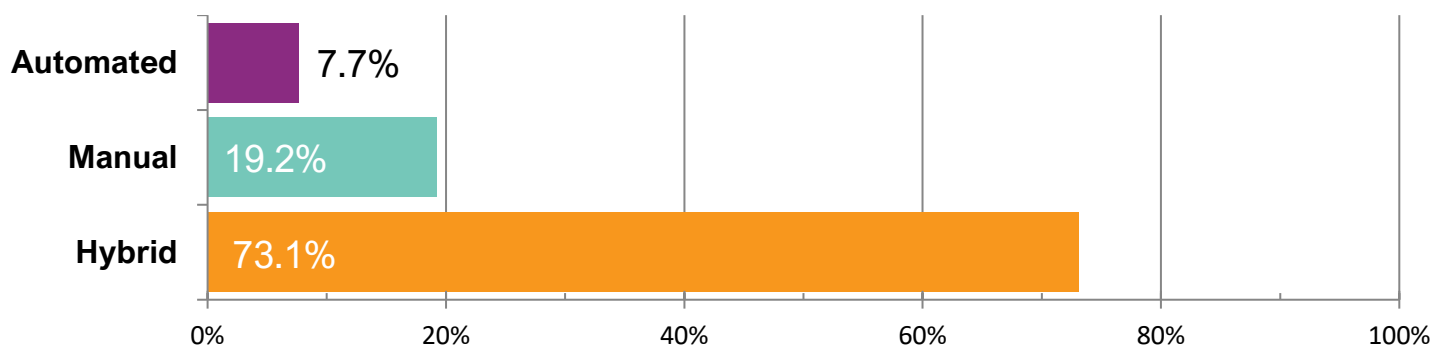


Comments:

- Yes, but one rep is permitted to combine multiple receipts and submit a single expense report. For example, bar and table bills. The preferred method is to have the bar bill added to the meal.
- Yes, included in our policy.
- Company employees are not allowed to split checks per Finance policy.
- The entire cost of the meal and refreshments must be paid by a single Team Member, and bills must not be split between more than one Team Member.
- Our expense reimbursement policy specifies that the most senior level employee attending the meal must pay the bill, and employees are trained not to split the bill.
- The most senior employee is required to pick up the check.
- The senior most employee in attendance should pay, and we do not permit splitting checks among employees. A doctor may request a separate check and personally pay for his or her own meal.

- Splitting an HCP meal with any other person (including the HCP) is prohibited.
- The most senior person should settle the bill.
- Checks cannot be split for meals as it impacts the reporting of the HCP spend. If there is no other way to pay for the meal other than to split the check, we require the individuals splitting and submitting the T&E to ensure they capture the attendees correctly.
- Company Policy states: Meals cannot be split between Company employees when seeking reimbursement; one Company employee must expense all items related to one customer meal.
- Yes, if to skirt the policy. Otherwise, if two teams want to share an expense for budgetary reasons it's ok, but the meal limit still applies.
- Our policy prohibits splitting checks with the intention of subverting the meal limits. Our policy also asks for the most senior person to pick up the check (single check). Internally, we can reconcile the meal to different cost centers.

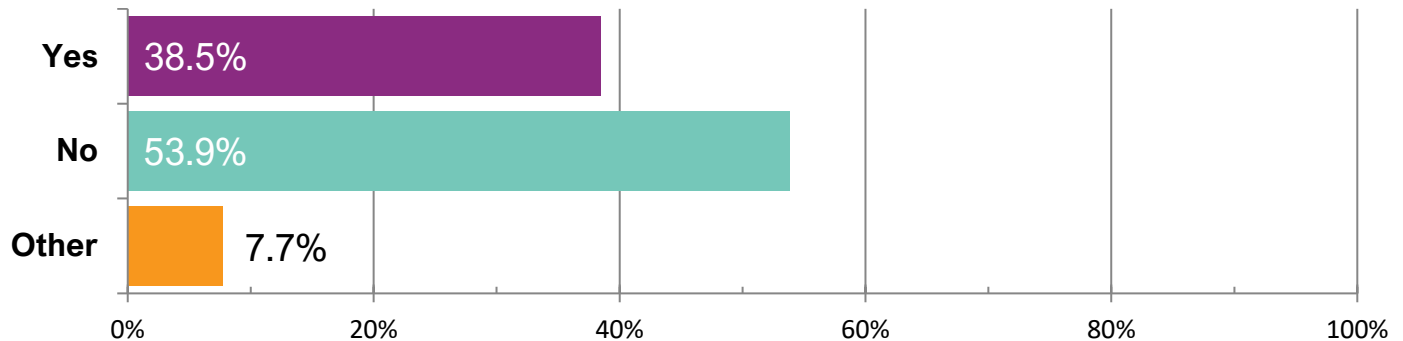
28. How does your Company monitor the compliance aspects of your meal limit policy?



Comments:

- All HCP meal expenditures are electronically monitored.
- Automatically notified in Concur via our threshold settings, manually followed up on via Accounting/Compliance teams dependent on the offense (HCP versus non HCP).
- We use audit flags in Concur and also track in Compliance dashboards.
- Built-in controls in Concur; On-site monitoring of events with post-event document review.
- We are implementing Appzen in 2024 to automate the monitoring of HCP meals including alcohol spend, attendees versus meals listed on the receipt, etc.
- Looking at AppZen or Oversight as AI plug ins for Concur.

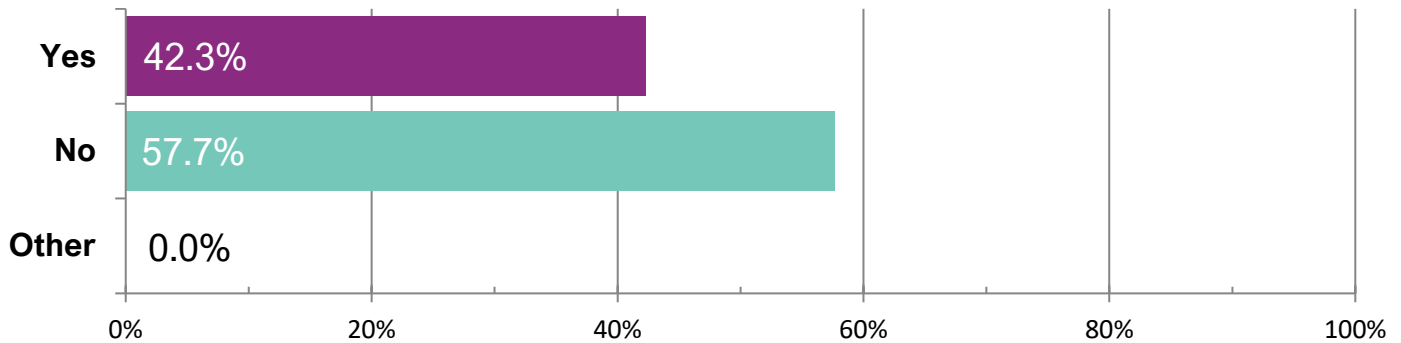
29. Has your Company made substantive changes to its HCP meal policy in response to the 2021 OIG Special Fraud Alert?



Comments:

- Added alcohol specific limits. \$25 maximum per drink; 3 drinks maximum per person; \$100 maximum per bottle of wine.
- We no longer allow alcohol provided during educational events.
- Updated our restrictions on alcohol at training and education events.
- We have updated guidance for best practices with respect to alcohol and revised our monitoring practices to guide if/when whether policy changes are needed.
- We added limits to alcohol and monitor the spend by HCP to ensure it aligns with occasional and modest.
- We do not have dinner programs.
- Special approval for speaker programs.
- Limited alcohol to one drink (beer and wine only) per HCP at speaker programs.
- In progress.
- We describe what we mean by “modest” consumption of alcohol.
- Launched T&E monitoring group between compliance and accounting/Concur team, training, and enhanced our previous policy.
- Conducted review to ensure existing policy was compliant with guidance.

30. Since 2021, has your Company increased HCP meal limits due to inflation, additional credit card fees, and/or other fees?



Comments:

- We increased our per person limit for business dinners to \$200 USD (no exception cities).
- We increased the dinner meal limit in 2022 for higher geographic regions from \$150 to \$200.
- The standard and high-cost dinner meal limits were increased by \$25 each to \$150 and \$175, respectively.
- Lunch was increased from \$40 to \$50 per person and dinner was increased from \$150 to \$175 per person.
- Increased dinner limits from \$125 to \$150 for dinner per person and removed the daily spending cap for meals with HCPs.
- We had not increased our meal limits in 10 years. In light of post-COVID inflation, we increased our meal limits.
- We are considering meal limit increases.
- We do not account for high-cost cities. Training provides that meal limits are not “targets” and are monitored, e.g., meals should be reasonable based on the geographic location.