



AdvaMed
Advanced Medical Technology Association

AdvaMed Device and Diagnostics Compliance Group Benchmarking

November 2022

Meals

Answers Collated: November 2, 2022
Total Verifiable Completions: 40

BACKGROUND

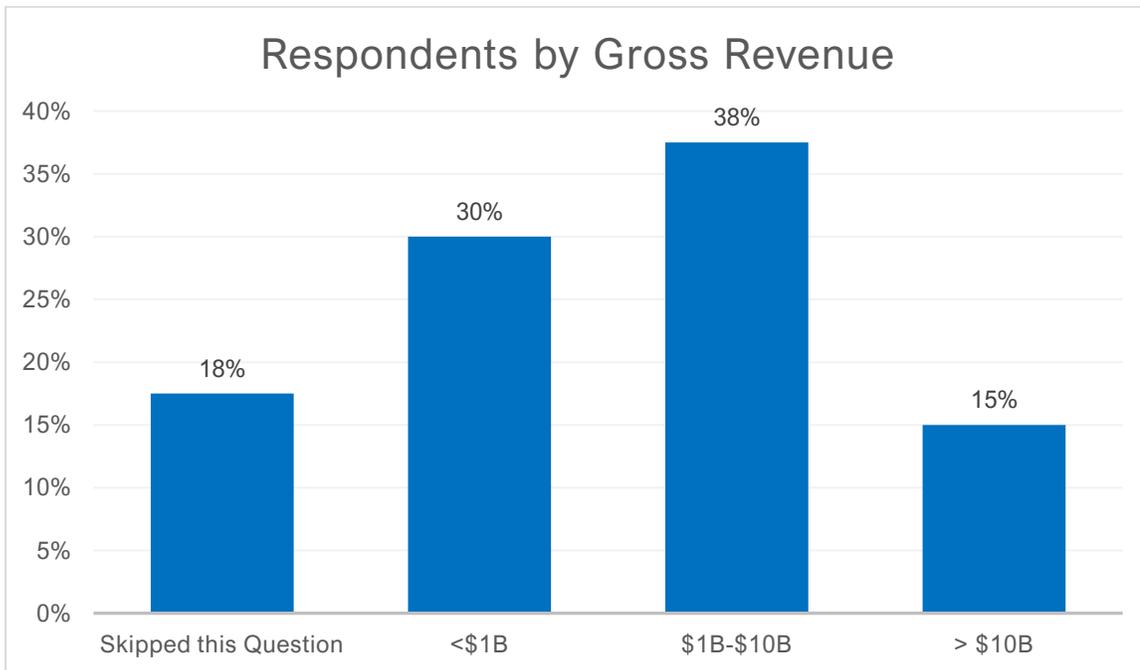
AdvaMed surveyed its member regarding their policies on meals with U.S. Health Care Professionals (US HCPs). 40 companies completed the survey in September, October, and November of 2022. This document summarizes the survey responses, including additional commentary submitted by some (but not all) companies. The responses reflect a broad cross-section of company policies, and is not intended to reflect all medical technology company policies on meals.

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

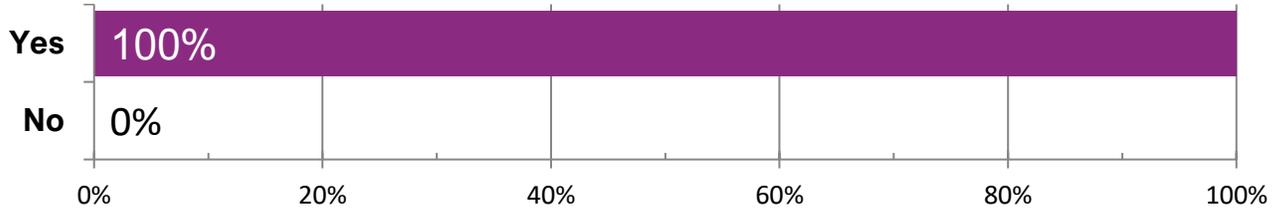
Note: AdvaMed periodically gathers and shares information from Member companies in order to assist companies in understanding industry trends and practices when the information is not competitively sensitive. In all cases, it is understood by AdvaMed and its Members that any company policy or practice 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

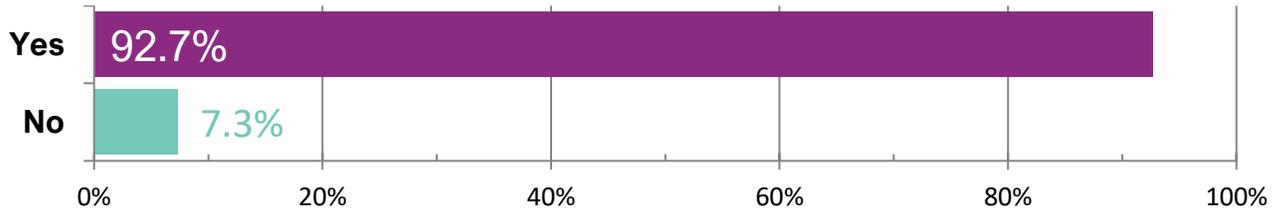
Respondents reflected a broad cross-section of company sizes (by annual gross U.S. revenue from device and diagnostics technologies) and sector:



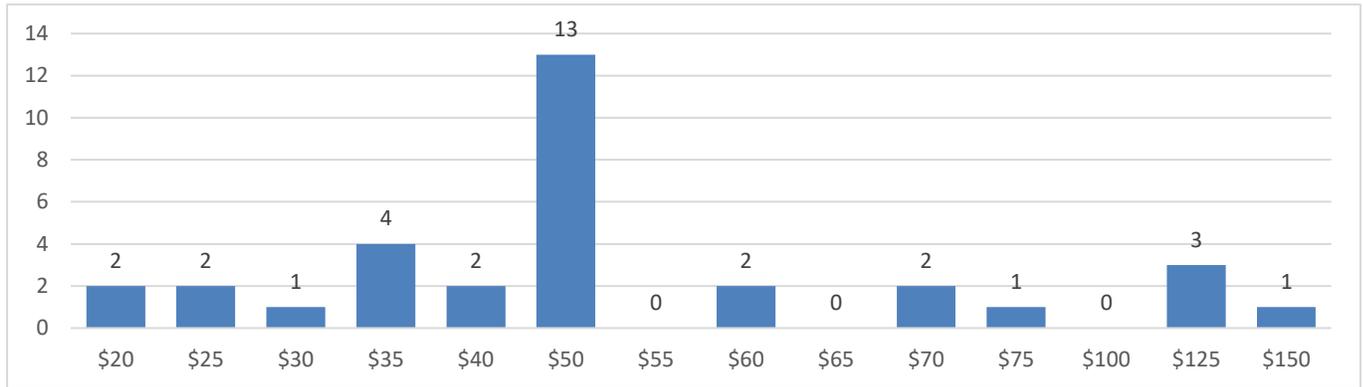
Does your Company have a policy on providing meals to U.S. HCPs?



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



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

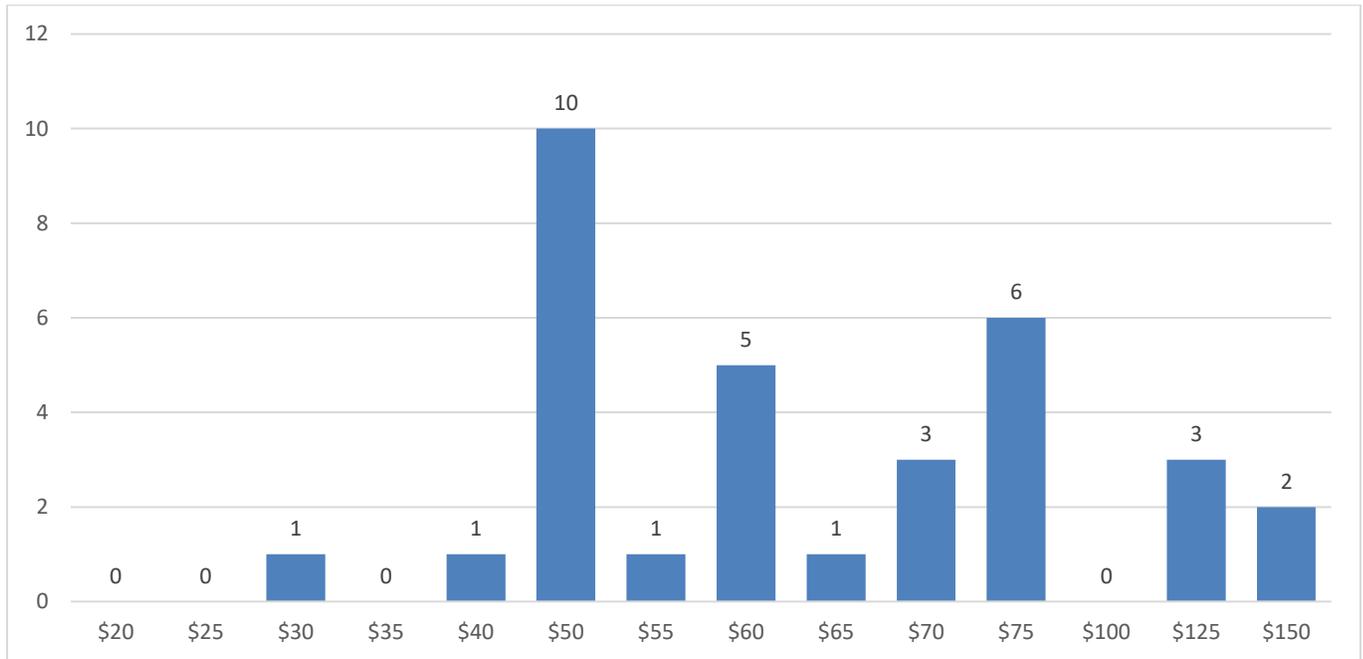


Breakfast	
Range	\$20 - \$150
25 th Percentile	\$38.75
Mean	\$57.19
Median	\$50.00
Mode	\$50.00
75 th Percentile	\$60.00

* The Breakfast limit is inclusive of Tax and Tip in 85% of the above responses.
 15% of the above responses are limits that exclude tax and tip.
 5% of the above responses are limits that are inclusive of Room Rental and A/V fees
 26.8% are limits inclusive of COVID or other surcharges/fees (e.g., health service fees)



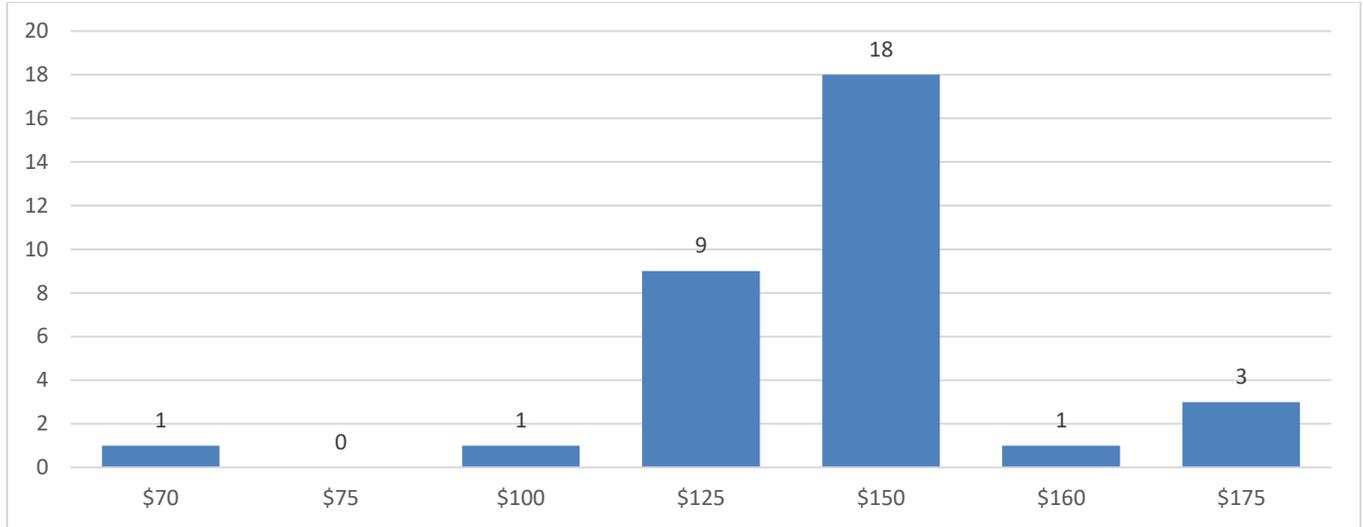
Lunch Per Person Meal Limit (Outside/ Not In-Office; Standard City)*



Lunch	
Range	\$30 - \$150
25th Percentile	\$50.00
Mean	\$70.45
Median	\$60.00
Mode	\$50.00
75th Percentile	\$75.00

* The Lunch limit is inclusive of Tax and Tip in 85% of the above responses (15% of the above responses are limits that exclude tax and tip).
 5% of the above responses are limits that are inclusive of Room Rental and A/V fees
 26.8% are limits inclusive of COVID or other surcharges/fees (e.g., health service fees)

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

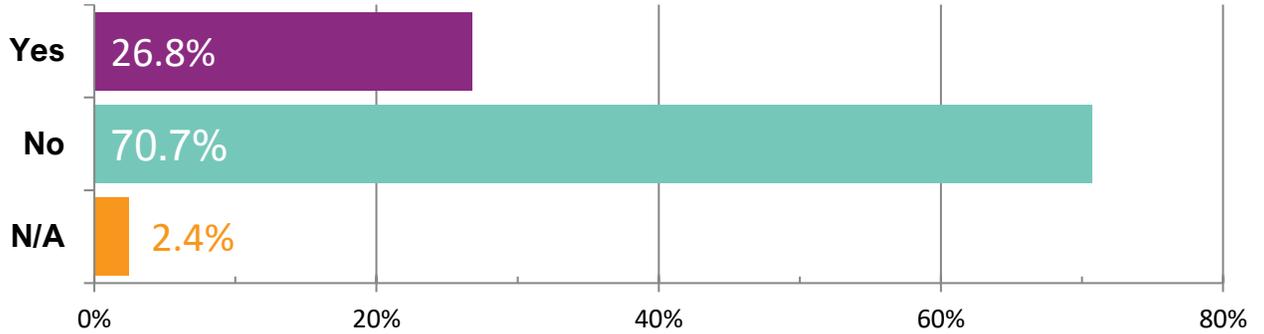


Dinner	
Range	\$70 - \$175
25th Percentile	\$125.00
Mean	\$141.82
Median	\$150.00
Mode	\$150.00
75th Percentile	\$150.00

* The Dinner limit is inclusive of Tax and Tip in 85% of the above responses (15% of the above responses are limits that exclude tax and tip).
 5% of the above responses are limits that are inclusive of Room Rental and A/V fees
 26.8% are limits inclusive of COVID or other surcharges/fees (e.g., health service fees)

High-Cost Cities

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)?



High-Cost Cities	Breakfast	Lunch	Dinner
Range	\$20 - \$150	\$30 - \$150	\$70 - \$200
25th Percentile	\$38.75	\$50.00	\$125.00
Mean	\$58.28	\$72.27	\$148.48
Median	\$50.00	\$60.00	\$150.00
75th Percentile	\$62.50	\$75.00	\$175.00

- Not all companies the responded “Yes” included information about the higher limits.
 - 3 respondents reported an elevated limit for Breakfast in High-Cost Cities
 - 3 respondents reported an elevated limit for Lunch in High-Cost Cities
 - 8 respondents reported an elevated limit for Dinner in High-Cost Cities
 - The above table also carries over limits from Respondents that do not have variations based on geography.
- Cities identified by respondents as high-cost cities/localities where the higher meal limit would apply:
 - Anaheim, CA
 - Atlanta, GA
 - Baltimore, MD
 - Boston, MA
 - Chicago, IL
 - Coronado, CA
 - Dallas, TX
 - Honolulu, HI
 - Houston, TX
 - Las Vegas, NV



- Los Angeles, CA
- Miami, FL
- Mountain View, CA
- Nashville, TN
- New York, NY
- Oakland, CA
- Orlando, FL
- Palo Alto, CA
- Philadelphia, PA
- San Diego, CA
- San Francisco, CA
- San Jose, CA
- Silicon Valley, CA
- Washington, DC
- **High-Cost City/Locality Dinner** Limit Dispersion Measures- Only 8 respondents specified the elevated dinner limit for high-cost cities/localities. The associated measures of central tendency and dispersion are specified below.
 - Range: \$150 - \$200
 - 25th?: \$168.75
 - Mean: \$172.50
 - Median: \$175.00
 - Mode: \$175
 - 75th?: \$176.25
- **Comments:**
 - In high-cost localities (meals taking place in the municipal city limits of Chicago, Dallas, Houston, Honolulu, Las Vegas, Los Angeles, Miami, Nashville, New York City, San Francisco), the per person limits or the cost of meals (including any taxes, gratuity, alcohol). It must be within city limits (city name must be on the receipt)
 - We do not have a specific mile radius, but use best judgement when meal location is within the general metro area of the high-expense city.
 - Exception cities where higher rates apply: Boston, Chicago, Las Vegas, Los Angeles, Miami, New York, Philadelphia, San Francisco, Washington D.C. Exception cities were determined based on cost of living, but also in collaboration with business partners, including the sales organization.
 - Analysis of publicly available data as well as internal company expense data has led

us to designate eleven (11) U.S. cities or city areas (e.g. “San Francisco Bay area”) as High-Cost Cities, subject to a higher spending limit. This designation only identifies a specific city and is not limited to certain zip codes or radius around the city. These higher limits apply to meals and catered events at hotels, convention centers, training facilities, and restaurants.

- We use internal and external criteria to determine if a city should have a higher meal limit. The higher meal limit only applies within the city limits.
- A list of the U.S. Cities that have the higher meal limit with HCPs: Atlanta, Baltimore, Boston, Chicago, Dallas, Honolulu, Houston, Las Vegas, Miami, New York City, Orlando, Washington D.C. In California - Anaheim, Los Angeles, San Diego, San Francisco, Coronado, Mountain View, Oakland, San Jose, and Silicon Valley.
- Our current policy does not describe geographic limitations with specificity but does indicate that individuals need to be mindful of their location. In trainings we will highlight a dinner in Laramie, Wyoming should not equate in price to say a dinner in New York City.
- We identify not only the expensive city, but also the surrounding metropolitan area. For example, Boston includes Cambridge, San Francisco includes Palo Alto, etc.

In-Office/ Onsite Limits

- 5 Respondents specified lower meal limits for meals at the HCPs office / worksite. The associated measures of central tendency and dispersion are specified below.

In-Office Meal Limit (n=5)	Breakfast	Lunch	Dinner
Range	\$25 - \$30	\$25 - \$30	\$25 - \$70
25th Percentile	\$25	\$25	\$25
Mean	\$26	\$26	\$35
Median	\$25	\$25	\$25
Mode	\$25	\$25	\$30
75th Percentile	\$25	\$25	\$25

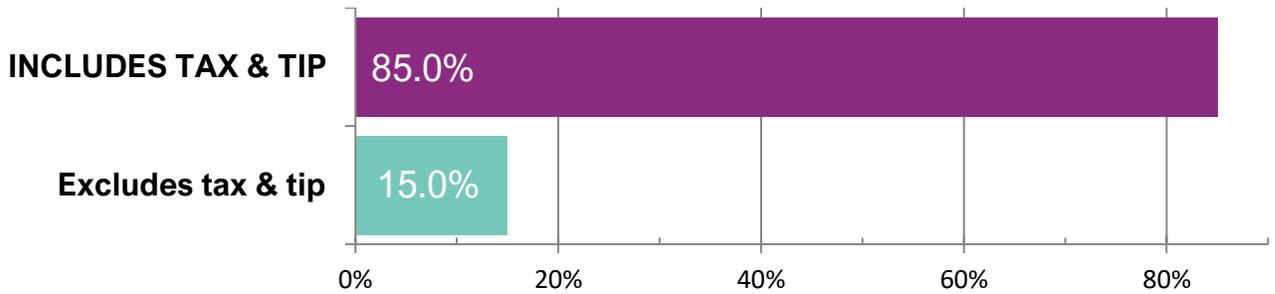
Snacks

- 6 Respondents conveyed that their company meal limit policy includes a different limit for Snacks

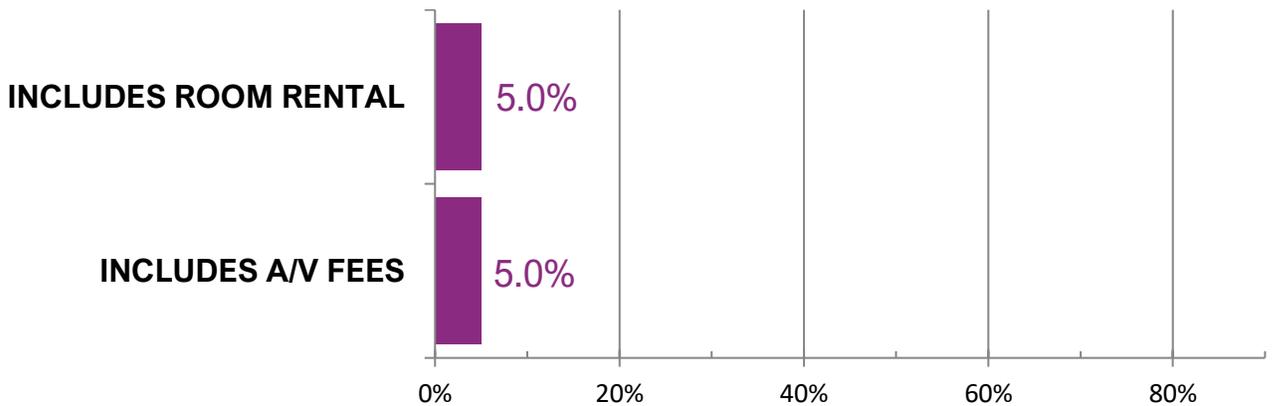
Snack Limit (n=5)	Snack
Range	\$10 - \$60
25th Percentile	\$15
Mean	\$35
Median	\$35
75th Percentile	\$55



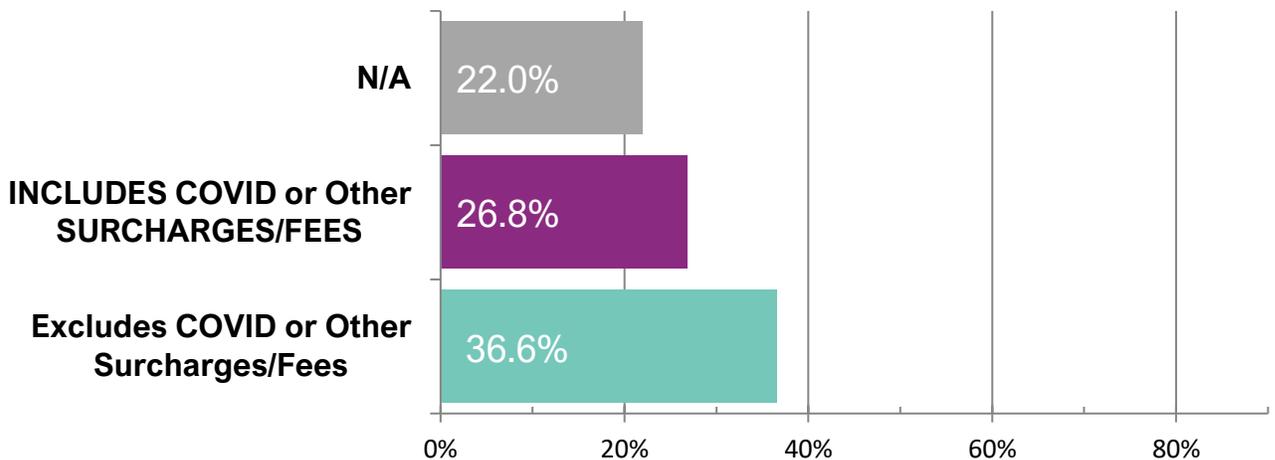
Do your meal spending limits include or exclude tax and/or tip from the calculation? (Select all options that apply)



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

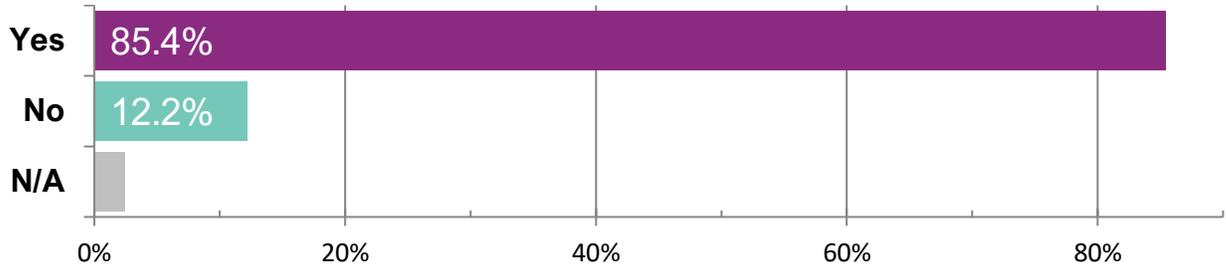


Do your meal limits include COVID or other surcharges/fees (e.g., a health service fee)?



*5 Respondents noted that their company policy is silent with regard to COVID and other surcharges / fees (i.e., they are not addressed or contemplated in the existing policy)

Do your meal spending limits vary based on the time of day or type of meal?



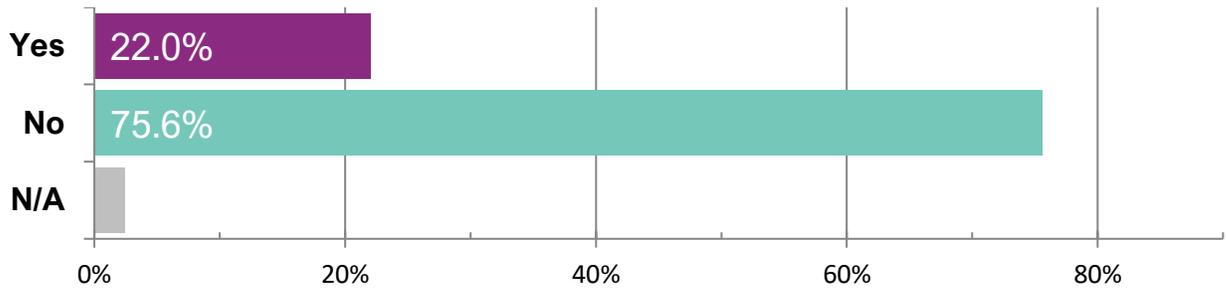
Comments:

- [Several commenters submitted:] See response question above for spending limits per meal
- Breakfast (before 11:00 a.m.), lunch (11:00 a.m. to 2:00 p.m.), and dinner (4:00 p.m. to 11:00 p.m.) have distinct limits. Time ranges are not set by policy, but are an internal guide used to help ensure appropriate reimbursement.
- We don't use a snack category - it's expensed as either HCP breakfast, lunch or dinner
- Breakfast: \$50.00 per person; Lunch: \$50.00 per person; Dinner: \$150.00 per person
- Meal Limits (this includes food, beverage, tax, and tip): Breakfast \$35.00; Lunch \$ 60.00; Dinner \$ 150.00
- [One comment conveyed the following limits:]
 - In-office: Breakfast/Lunch: \$25; Dinner: \$70
 - Out-of-office: Breakfast/Lunch: \$70; Dinner: \$150
- Lunch: \$75; Dinner: \$150
- Lunch: \$30; Dinner \$50; In-Service meal: \$125; Take-out/Bring-In (regardless of time): \$30
- [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
- Breakfast and Lunch: \$50; Dinner \$150

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- with CEO approval, limits increase to: Breakfast: \$75; Lunch: \$100; Dinner: \$200
- Dinner that takes place off HCP premise limits are \$150 or \$175 for high-cost cities. The limit for lunch, breakfast and all on HCP-premise meals is \$60.
- Lunch & Dinner meal caps provided only, time designation is not considered or required.
- Different rates for breakfast, lunch, and dinner.
- Reasonable and Modest; 150 Dinner; 50 Lunch; 50 Breakfast
- In the US: Breakfast/Lunch: \$70; Dinner: \$150
- We have different limits for breakfast/lunch as opposed to dinner.
- Breakfast \$25; Lunch \$50; Dinner \$125; Government Employees (regardless of type/time of meal) \$20
- In-office programs (breakfast, lunch, and dinner) \$25 per person;
Out of office breakfast and lunch programs \$50 per person;
Out of office dinner programs \$125 per person
- breakfast \$60 lunch \$60 snacks \$60 dinner \$175
- Our informal meal limit guidelines are broken down by Breakfast, Lunch and Dinner. We also have a "no alcohol" policy for breakfast and lunch.
- \$50 USD per person for breakfast; \$65 USD per person for lunch; \$150 USD per person for dinner; \$50 USD per person for virtual meetings
- In-office meals all have the same limit.
Out of office meals have a \$50 limit for breakfast and lunch and a \$125 limit for dinner.
- Breakfast: \$35 - \$50; Lunch: \$50 - \$75; Dinner: \$160
- The meal limits vary by type of meal: Breakfast: \$50; Lunch: \$50; Dinner: \$150
- Meals with HCPs: \$50 Breakfast; \$75 Lunch; \$175 Dinner
- Different limits for breakfast, lunch and dinner. No per diem limits.

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)?



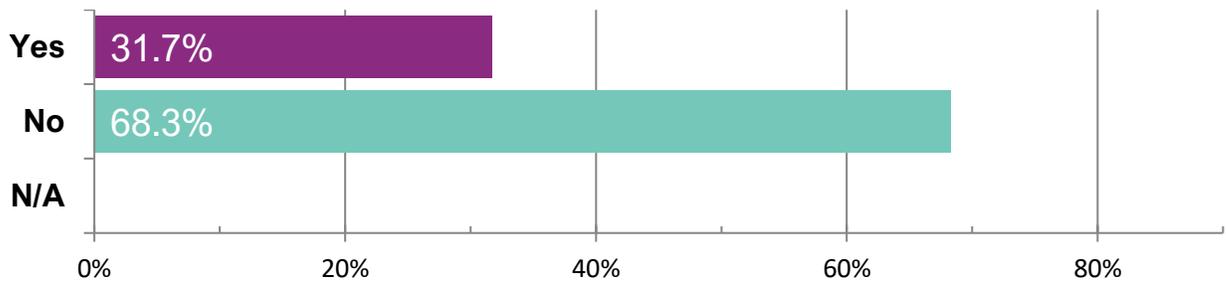
Comments:

- [One comment conveyed the following limits:]
 - In-office:
 - Breakfast/Lunch: \$25
 - Dinner: \$70
 - Out-of-office:
 - Breakfast/Lunch: \$70
 - Dinner: \$150
- In-service meals are limited to \$30 per person -- these are expected to be things like bagels in the morning or box lunches from a local deli.
- [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
- Meals that occur on HCP premises have a different meal limit.
- In-office meals generally limited to breakfast and lunch, so those rates apply.
- In office programs (breakfast, lunch, and dinner) \$25 per person. Out of office breakfast and

lunch programs \$50 per person. Out of office dinner programs \$125 per person.

- Meals Associated with In-service/Product Training. The following requirements apply to any meals or refreshments provided to an HCP and/or office staff as part of an in-service or product training held at an appropriate venue.
 - 1. Employees may only provide meals:
 - a. In connection with the informational presentation/scientific discussion.
 - b. Provided only to HCPs and/or office staff members who are attending the presentation/participation in the discussion; and
 - c. When the HCP and/or office staff member(s) are expected to consume it during the informational presentation/discussion.
 - 2. Unless otherwise permitted by regional policy, Employees must not provide food and/or beverages in a format that is, or could be perceived, as a gift. This includes, for example
 - (a) food arrangements that could be taken home by the HCP and/or office staff;
 - (b) wrapped or boxed cakes, pies, pastries, unless consumed during the informational presentation or discussion; or
 - (c) boxes, packages or tins of candy that could easily be packages or tins of candy that could easily be taken home; or boxes or tins of coffee or teas.
 - 3. Employees are responsible for ordering and paying for all meals or refreshments with their corporate card. Employees must not provide their corporate card information to an HCP or office staff to order food or beverages on behalf of Company.
 - 4. Regional policies will identify when attendance sheets are required. Employees must accurately and completely reflect who is consuming the food or beverage during the inoffice presentation.
 - 5. Drop off meals or snacks or beverages are prohibited.
- With the exception of meals in connection with a virtual meeting where the limit has been set at \$50 USD per person for the meal (including tip and delivery fees).
- All in-office meals are capped at a \$30 limit. Out-of-office meal limits are based on the time of day (as indicated in previous response).
- Our meal limits are lower for virtual business meals with HCPs compared to in-person.
- The meal limits do not change based on the setting of the meeting. In regards to dinner, we typically do not plan dinner meetings in a doctor's office. (However, should there be a need to meet with a doctor in his/her office, during the dinner hour, to discuss upcoming cases, it may be appropriate to bring/provide dinner.)

Does your Company policy limit the frequency or number of times an employee can provide a meal to a specific HCP?

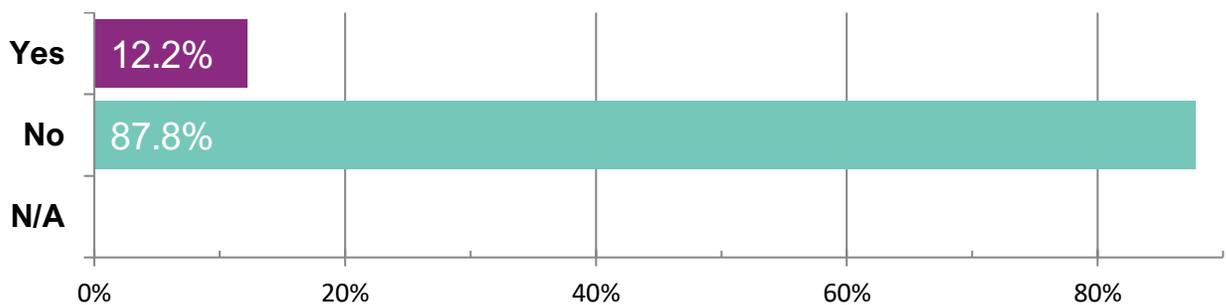


Comments:

- Limited to "occasional."
- We specify that they must be occasional in nature.
- Occasional meals permitted
- Not more than once per quarter per HCP
- Policy limits meals to "occasional," which is not defined, as each situation could be different based on the business need. For instance, an HCP working with us on developing an intensive training program or project may be provided a higher number of meals if the work time occurs over a number of days. The compliance team uses reasonable judgment based on the business purpose as to whether there is a concern the number of meals for a specific HCP might be excessive.
- Maximum 6 times per year
- Our policy has a \$ cap per HCP per year and an employee may only purchase meals for an HCP occasionally and only for a legitimate business reason.
- Meal must be infrequent
- Our policy states that meals should be provided infrequently (but we don't define "infrequently").
- Annual cap on total (monetary + nonmonetary) compensation that can be provided to HCPs necessarily limits the number of meals. May consider adding a frequency/number limit or reasonableness standard in next revisions to policy.
- Reasonable / Infrequent
- No limits but we monitor the frequency of attendees
- We do not provide a specific meal limit number however, we do stress that meals must be occasional and infrequent.
- While we haven't formalized this, we manage this via our commercial management oversight with monitoring reported to the compliance committee.
- Our policy permits "occasional" meals (i.e. infrequent and not on a routine basis). We developed FAQ guidance that states that so long as there is a bona fide business purpose and the meal is compliant with policy - up to 4 meals with an HCP in a year is generally permissible and 12 meals with an HCP in a year is generally too many.
- Yes, we have strict limits with respect to speaker program participation (in- and out of office). We also monitor the frequency of in-office educational presentations to ensure they are occasional and not repetitive.

- We would like some feedback from other companies on what they view as an "occasional or infrequent" business meal. How do others define "infrequent" meals?
- In general, the US HCP meal local guidance is no more than 2 times per quarter. Please note that meals provided as part of a medical education meeting or similar are excluded from this guidance.
- We recommend occasional meals with HCPs
- We place overall spend limits to comply with Stark.
- It just says "occasional"
- Continue to subscribe to the concept of "infrequent"
- We communicate that meals should be infrequent, modest and reasonable; furthermore, we provide relevant "scenario trainings" and issue corrective actions where appropriate.
- However, we imposed and track an annual per HCP cap meant to address frequency

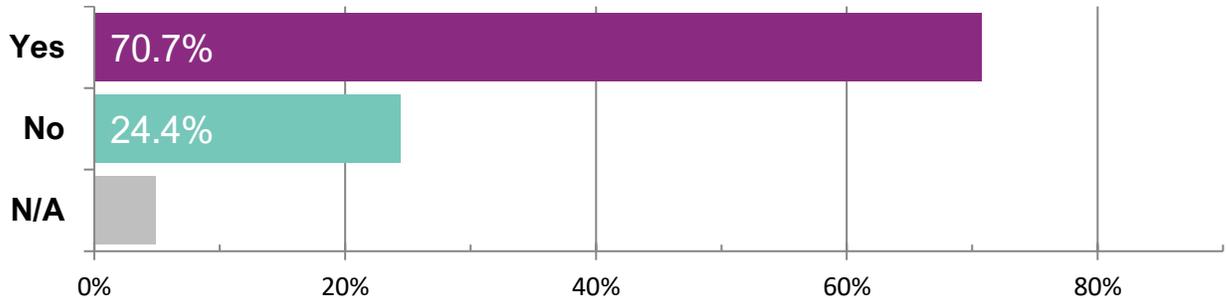
Does your Company have a requirement that there must be a minimum ratio of employees to U.S. HCPs at a meal?



Comments:

- Must be reasonable and allow for meaningful interactive discussion.
- There must be at least an associate present for the meal
- There always must be at least 1 though.
- 4 HCPs per company employee
- Meals must have no more than 5:1 ratio of HCP attendees to employees
- Our ratio is 3 employees to 1 HCP
- There is not a ratio, but there must be at least one Company employee present for a business meeting meal.
- Continue to apply to a reasonableness standard
- We require at least one employee be present, but do not at this time require a specific ratio. We periodically examine the ratios.

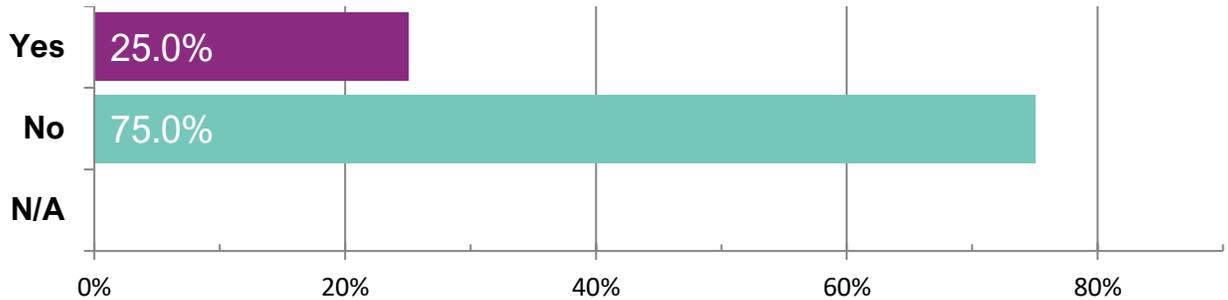
Does your Company prohibit splitting checks at U.S. HCP meals?



Comments:

- Our policy does not prohibit the splitting of checks but it is clear there is still an overall limit that should not be exceeded.
- A meal charge may not be split between associates
- If it is done in an attempt to circumvent the policy; however, if an HCP chooses to pay for their meal and the Company representative pays for theirs, that would be allowed.
- The senior-most company representative must pick up the entire check; no check-splitting permitted.
- The entire cost of the meal must be paid by one employee.
- Most senior employee must pay for the meal
- Splitting checks is prohibited between both internal departments and external companies.
- The most senior employee pays the bill.
- No splitting of checks
- Employee cannot split the checks, however, HCP may obtain a separate check to pay for their own items.
- Most senior person pays the entire tab.
- The US policy states that meals with HCPs are not to be split by company employees/independent sales contractors. Only one Company team member is to pay for the HCP meal.
- Splitting a meal with an HCP in an attempt to circumvent the meal limit is prohibited and monitored. The most senior company employee at the meal is required to pay.
- Generally yes, but for co-hosted events we allow splitting the check.
- More strongly discouraged than prohibited
- We do not allow sales reps or corporate individuals to split the check with an HCP. However, we do have a process that allows an HCP to pay separately for his or her own meal, if desired.
- We do not allow split checks.
- Employees may never split checks with other employees, nor may our company split expense costs with another manufacturer
- We do not allow checks to be split amongst employees present at the meal.

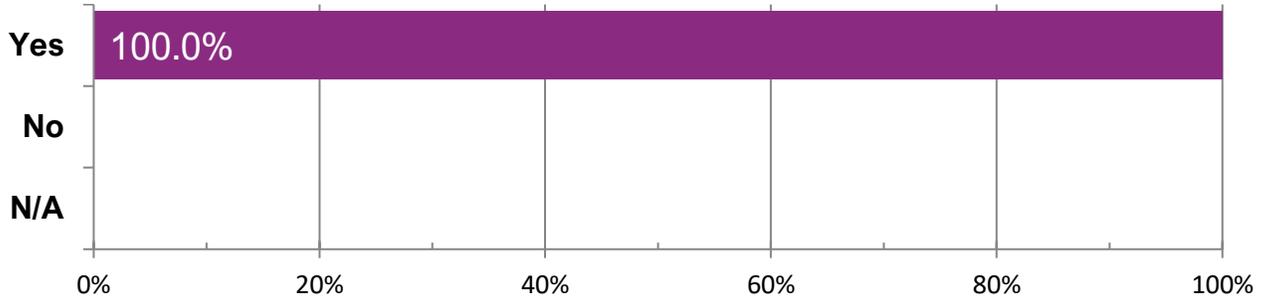
Does your Company maintain an annual aggregate spending cap on meals with U.S. HCPs (for example, the company can only spend \$X per year on meals per individual HCP)?



Comments:

- Only in California.
- Unless required by state law
- One of our divisions sells pharma products as well, so we have a \$ limit for them in California.
- There is a cap of \$1000.
- Only where required by local or state regulation.
- Annual cap on total (monetary + nonmonetary) compensation.
- Yes for DME business consistent with Stark
- We will not exceed annual Stark limits.
- California required as law.
- Except for California due to state requirements. CA: \$1000 annual limit per California customer/per employee for all promotional meals (such as business meetings)
- We do 100% monitoring quarterly of HCP spend to ensure a particular HCP spend is appropriate.
- However, we established an annual aggregate spend limit for Meals and educational items provided to California-licensed HCPs of less than \$2,500 per individual California-licensed HCP.
- The company has a maximum of \$1,400 per HCP for meals and educational items.
- We maintain a cap to comply with Stark.
- None outside of state-specific regulations
- We communicate that meals should be infrequent, modest, and reasonable.

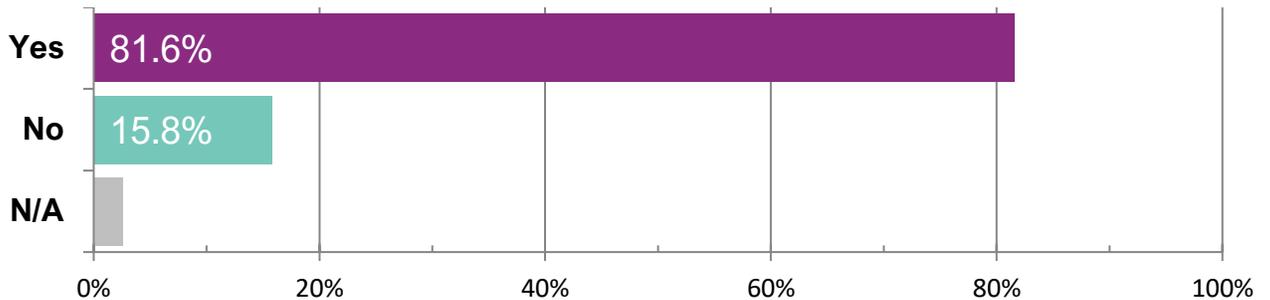
Does your Company allow alcohol at meals where HCPs are present?



Comments:

- Reasonable alcohol is allowed at business dinners at restaurants.
- Alcohol only after 5 pm local time.
- One drink per HCP at speaker programs. A “reasonable” and modest amount of alcohol is allowed at other out-of-office HCP meals.
- Yes, but looking at additional limitations and restrictions
- It needs to be modest
- We have limits on alcohol; the total amount cannot exceed 20% of the total meal. For catered events, we allow only beer and wine to be served, no hard liquor
- 30% alcohol policy limit. Alcohol cannot be provided in offices, hospitals, or in situations where an HCP would treat patients after the meeting.
- except speaker programs
- Attendees at speaker programs are permitted to purchase alcohol on their own. Company personnel are prohibited from providing, paying for, or consuming alcohol at speaker programs.
- Modest alcohol consumption is allowed.
- We permit limited alcohol.
- Never at lunch.

If you answered yes to the previous question, does your Company policy include controls around the provision of alcohol at Company-Conducted Programs and Meetings?



Comments:

- It is limited to reasonable beer and wine. Menus are pre-determined by Medical Affairs.
- We have an informal limit on alcohol consumption to ensure it is conducive to a business meeting. Generally speaking, that limit is 2 drinks per person although we have not formalized that in a policy. We also have an informal limit set for spend on bottles of wine as well.
- We work to make sure the restaurant keeps the drink limit to 2 per person.
- Alcohol only after 5 pm local time.
- For any events organized by non-field employees (i.e. corporate or HQ employees like Marketing), then there is a 2 drink, beer or wine only, limit. For events organized by field employees, alcohol must be modest. Though we guide that 2 drinks, beer or wine only, per person will always be considered modest.
- Permissible: Alcoholic drinks with meals are permissible as long as it is within the spend limits
Not Permissible: Providing wine bottles as gifts, providing wine at a booth and taking customers to a bar.
- Annual cap on total (monetary + nonmonetary) compensation
- If alcohol is consumed, it should be consumed in moderation. Company representatives must remember that they are representing the company at all times and should not overindulge. Refer to the Code of Conduct for further discussion on alcohol consumption at sponsored events
- 2 drink maximum
- Limits on Alcoholic Beverages: Under certain circumstances, it may be appropriate to provide alcohol at company-conducted meetings. As with any food or drink provided, it must be modest and is therefore limited to \$50 per person, which is a part of the overall limits.
- No alcohol at training, only at meals.
- Alcohol not to exceed two drinks per. No top shelf liquor or premium wines.
- Currently guidance includes max % of total meal expense; other controls in development
- Alcohol is prohibited during Company-Conducted educational programs.
- Alcohol should not exceed 30% of the total bill.
- Limited consumption of alcohol w/ dinner only and cost of alcohol should not exceed cost of food

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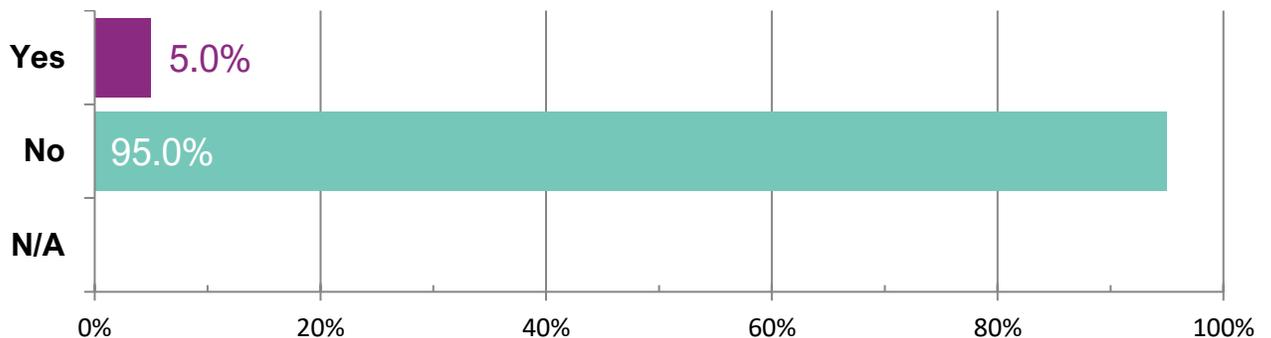
- We review meals to confirm that amount of alcohol spend is in line with our policies.
- Provision of alcohol should be "reasonable".
- Alcohol is not permissible in connection with a virtual meeting or at business meetings occurring during the workday. In the event it is appropriate to consume alcohol at a business meeting that occurs outside regular working hours, the provision/consumption of alcohol must be modest. Policy includes per-person drink limits and per-drink limit - no more than 3 drinks per person; bottle of wine for sharing purposes is considered equal to 4 drinks; individual drink may not exceed \$25 USD; bottle of wine may not exceed \$100 USD
- For company-conducted medical education meetings in the US, alcohol is limited to beer and wine only.
- Alcohol policy limit is 30% Meal limit. Meals organized by the meetings and conventions team are limited to beer and wine
- We do not limit the number of alcoholic drinks a person may consume. However:
 - Alcohol that is provided must be part of/accompany a meal (and be included in the overall meal limit).
 - In addition to a requirement that alcohol purchases "be reasonable," we require that they be limited such that the consumption of alcohol does not take away from the important, relevant, business or scientific discussions.
- Standalone alcohol prohibited. Alcohol must be reasonable and modest in quantity.
- We have a policy which includes guidance that alcoholic drinks should be occasional in connection with an event. Care should be taken when considering venue, cost, and quantity of drinks to ensure that it does not create an appearance that the interaction is a social gathering. We will not pay for or provide excessive alcohol, as excessive alcohol undermines the legitimacy of the business meeting.
- Company allows for alcohol to be provided with controls in place. This includes per drink limit, venue appropriateness, and type of event.
- No speaker programs
- Alcohol must not be the focus of the interaction and its consumption must not detract from the legitimate business discussion.
 - Employees must not pay for or provide excessive or immodest alcohol.
 - A business meeting should not include more than three drinks per person during a single interaction.
 - Included in the FAQ are Examples of practices that will be subject to additional scrutiny include:
 - More than occasional provision of business courtesy meals to a single customer (e.g., more than 2-3 times per month).
 - Always spending up to the per person meal limit.
 - More than three drinks per person during a single interaction.
 - A bottle of wine exceeding \$125
- Attendees at speaker programs are permitted to purchase alcohol on their own. The speaker, after the program concludes, may choose to purchase modest alcohol to accompany his/her

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meal. Such alcohol must be paid for by the speaker and submitted for reimbursement. Company personnel are prohibited from providing or paying for alcohol at speaker programs.

- Reps are only permitted to order limited alcohol and we periodically audit receipts.
- We have a specific policy that addresses consumption of alcohol.
- Beer and wine only and 2 drink limit per person. This is a recent change being implemented.
- Per policy, alcohol at company hosted programs may never be excessive. All HCP meals must be categorized in Concur (training, formal education, other). If product training, no alcohol. If an educational speaker program on disease state or therapy awareness, modest quantities of beer/wine only.

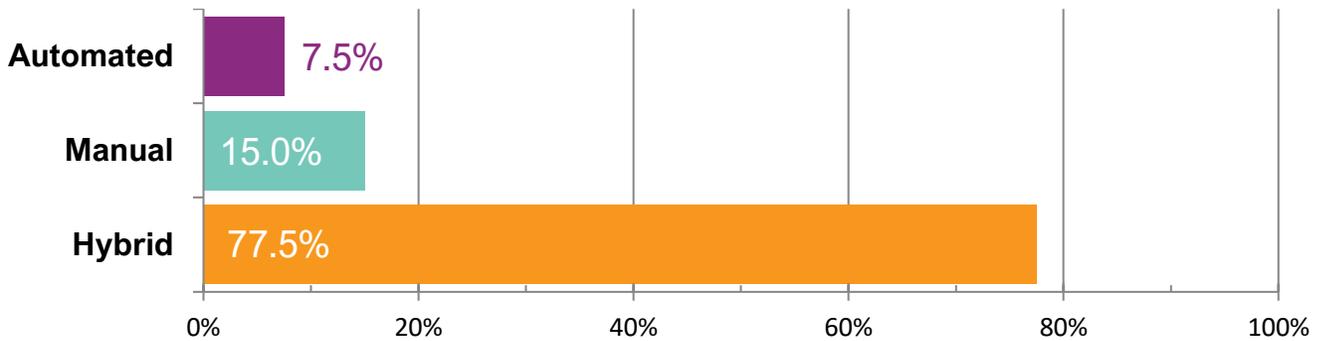
Does your Company allow the use of personal funds to cover the cost of meals with HCPs?



Comments:

- We do have a "Dutch" policy: if the employee is NOT requesting reimbursement from the Company, the employee can pay for their own meal and have the HCP pay for their own meal.
- Employees and Reps are not allow to use personal funds.
- Everything needs to be paid with Corporate Credit Card.
- Policy prohibits the use of personal funds to pay for or supplement the cost of Meals as a way to circumvent the stated Meal limits, even if employee does not intend to be reimbursed.
- In limited instances, reps that do not have a corporate credit card are allowed to expense on a personal card. All transfers of value to HCPs are required to be reported per the Sunshine Act.
- Indirect sales agents may use personal funds but must be report.
- Employees cannot use personal funds, but HCP may pay for their own meals.

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



Comments:

- We monitor a random selection of HCP T&Es (approx.. 15% of total monthly HCP submitted) and we have audit rules (red flags) in Concur to signal policy deviation.
- We are small, so we have the ability to do 100% monitoring. We have limits set within Concur to flag any expense involving an HCP that requires Senior Management approval when the limit is exceeded.
- HCP meal expenses are automatically referred to Compliance for review if:
 - they are outside of \$ limits
 - they are missing the itemized receipt
 - they are missing the HCP Sign-In Sheet
- Meal expenses are submitted through Concur. Managers approve all meal expenses submitted in Concur and are expected to adhere to the Company's "Meals and Entertainment Policy."
- Finance and Compliance monitor HCP meal expenses.
- Concur notification process. Automated rules and when violated it goes to Compliance.
- Mostly manual; we have set Concur up to run a weekly report on HCP meal expenses over a certain amount (and then the review of those is manual). Annual full audit is conducted, and provision of meals at company education events with HCPs is vetted in advance through compliance.
- We have manual and automated processes to monitor the limits and are creating Power BI dashboards to automate the flags and processing.
- Alerts provided in Concur for manager review; T&E monitored monthly for meal limits, venue and split meals
- Meal overages are captured and flagged automatically within our expense reimbursement system. Additionally, 1) key individuals across various business segments function as internal gatekeepers as they review expense reimbursements prior to payment; and 2) as part of Company's monitoring and audit program(s), we periodically review meal limits as part of that plan.
- Potential split meal violations and meal overages are monitored electronically and flagged for the compliance officer to research and address with the individual(s).
- There is 100% review by accounting, plus we use automated dashboards