I. SCOPE:

This policy applies to (1) Tenet Healthcare Corporation (“Tenet”) and its wholly-owned subsidiaries and affiliates; (2) any other entity or organization in which Tenet or its affiliate owns a direct or indirect equity interest of 50% or more; and (3) any hospital or healthcare facility or entity in which Tenet or an affiliate either manages or controls the day-to-day operations of the facility (a “Tenet Entity”) (collectively, “Tenet”).

II. PURPOSE:

The purpose of this policy is to ensure that donations and sponsorships by Tenet and its affiliates to charitable organizations comply with federal Anti-Kickback Law, and other laws that relate to arrangements between persons or entities that can influence or recommend the purchasing, leasing, ordering or arrangement for any good, facility, item or service paid for, in whole or in part, by a federal or state healthcare program.

III. DEFINITIONS:

A. “Charitable Contribution” means a donation or sponsorship.

B. “Charitable Organization” means a nonprofit organization that qualifies for tax-exempt status according to the U.S. Treasury. Qualified charitable organizations must be operated exclusively for religious, charitable, scientific, literary or educational purposes, or for the prevention of cruelty to animals or children, or the development of amateur sports.

C. “Donation” means any payment or other benefit made directly or indirectly, in cash or in kind, to a charitable organization other than a fair market value exchange for items or services.

D. “Immediate Family Member” means a Referral Source’s husband or wife, birth 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.

E. “Non-Referral Source” means an individual or organization which is not a Referral Source.

F. “Referring Physician” means a doctor of medicine or osteopathy, a doctor of dental surgery or dental medicine, a doctor of podiatric medicine, a doctor of optometry, or a chiropractor who currently makes referrals to a Tenet Entity or is in the position to make referrals to a Tenet Entity in the future.

G. “Referral Source” means a physician or other person or entity that can influence or recommend the purchasing, leasing, ordering or arranging for any goods, facility, item or service paid for, in whole or in part, by a federal or state
healthcare program. It is anyone (including an immediate family member of a physician) who has the capacity to refer or influence the flow of Medicare/Medicaid or other government healthcare programs business to another party including anyone who has referred a patient to the Tenet Entity in the past or who is reasonably anticipated to refer a patient to the Tenet Entity in the future. This definition includes instances when Tenet or one of its Providers is the party in a position to refer or influence the referral of federal healthcare program business to a vendor. Refer to Law Department Policy L-15 Electronic Contract Approval Term Sheet (eCATS) for further definition of Referral Sources.

H. “Sponsorship” means any payment or other benefit made directly or indirectly, in cash or in kind to a charitable organization and for which a Tenet Entity receives advertising in a program, on a sign, banner or other benefit.

IV. POLICY:

A Tenet Entity may contribute to activities, organizations, and causes that advance a public purpose, such as health, wellness, safety, cultural, and general welfare, provided that the contributions are made in accordance with this policy. The goal of Tenet is to focus support on the following areas:

- Health and Wellness Organizations
- Children, Youth, and Educational Organizations
- Arts, Cultural and Humanities Organizations
- Social Service and Humanitarian Organizations

Under no circumstance a charitable contribution may be offered, solicited, made or received with the intent to induce the one party to generate business for the other party to the transaction.

V. PROCEDURE:

A. Permitted Recipients of Donations by a Tenet Entity

1. In the evaluation of donation and sponsorship opportunities, priority will be given to organizations that are aligned with the areas listed above. Only organizations with 501(c)(3) status and government agencies, such as police departments, are eligible for donation or sponsorship. Considerations will be given, but not limited to, the following:

- Community Events
- Donations – Event participation or contributions
- Arts, Cultural and Humanities Organizations
• Fundraising dinners
• Community service organizations
• School fundraisers
• Cultural programs/events
• Humanitarian relief organizations
• Donation of pharmaceuticals, medical supplies and equipment, which may be made directly to a charitable organization or through an intermediary company that engages in the business of receiving and distributing these items to charitable organizations for purposes of enhancing community health.

A Tenet Entity shall not provide charitable grants to non-religious organizations that have a written policy of discrimination on the basis of race, religion, color, sex, national origin, age, marital status, mental or physical ability, sexual orientation or gender identity.

2. Approval of Proposed Contributions

a. The Tenet Entity shall determine whether the organization who will be the recipient of the contribution is a Referral Source.

b. Referral Source Contributions shall be approved in eCATs prior to the Tenet Entity making a commitment to contribute. The eCATs package shall include the following information:

(1) A description of the organization, including its purpose and activities in the community
(2) Evidence of the recipient’s 501(c)(3) status
(3) A summary of any prior contributions by the Tenet Entity to the organization
(4) A description of the proposed contribution, including its value and whether it is a cash contribution, a discounted service or rent or other in-kind contribution
(5) The circumstances and purpose of the proposed contribution, including whether it was solicited (if so, by whom) and whether the solicitation is part of a broad-based campaign
(6) A description of the relationship between the recipient and any Referral Source
(7) Such other information as is requested by Regional Counsel
3. If the charitable contribution is offered as part of another arrangement, such as a lease of space at less than fair market value to a charitable organization, the eCATs approval shall be obtained as part of the eCATs for that arrangement. The elements set forth above shall be included in the eCATs package in addition to the considerations for the arrangement.

4. All charitable contributions involving Referral Sources shall be documented by a written agreement signed by both parties. Examples of acceptable written agreements include a Bill of Sale for a transfer of property such as medical equipment and supplies, sponsorship or donation agreement or an agreement for an underlying arrangement which includes payment by the charitable organization for rental space, items or services at a rate less than fair market value.

5. Contributions to Charitable Organizations which are Non-Referral Sources shall be approved in eCATs in accordance with Law Department Policy L-15 Electronic Contract Approval Term Sheet (eCATS).

In addition to eCATs approvals required by this policy and Law Department Policy L-15 Electronic Contract Approval Term Sheet (eCATS), any marketing or advertising materials arising from a sponsorship payment shall be subject to MARS approval.

B. Charitable Contributions to a Tenet Entity

1. A Tenet Entity may accept cash donations or donations of items, services from an outside organization or person provided that the hospital informs the organization or person in writing that the Tenet Entity is a for-profit entity, therefore the donation is not eligible for deduction for the donation as a charitable gift.

2. If the organization or individual proposing to make a charitable contribution is a Referral Source, the contribution shall be approved in eCATs prior to acceptance of the contribution by the Tenet Entity.

3. Charitable contributions from a Referral Source shall be documented in a written agreement signed by both parties. Examples of acceptable written agreements include a Bill of Sale for a transfer of property such as medical equipment and supplies, sponsorship or donation agreement.

4. Charitable contributions which are sponsorships of medical education programs to be presented by a Tenet Entity shall comply with the Accreditation Council for Continuing Medical Education “Standards for Commercial Support: Standards to Ensure Independence in CME Activities.”
C. Responsible Person

The Tenet Entity CEO is responsible for ensuring that all personnel adhere to the requirements of this policy that these procedures are implemented and followed at the Entity, and that instances of noncompliance with this policy are reported to the appropriate Compliance Officer.

D. Auditing and Monitoring

Audit Services will audit adherence to this policy during its routine audits.

E. Enforcement

All employees whose responsibilities are affected by this policy are expected to be familiar with the basic procedures and responsibilities created by this policy. Failure to comply with this policy will be subject to appropriate performance management pursuant to all applicable policies and procedures, up to and including termination. Such performance management may also include modification of compensation, including any merit or discretionary compensation awards, as allowed by applicable law.

VI. REFERENCES:

- 4242 U.S.C. § 1320a-7b(b)

- Relevant Advisory Opinions from the HHS Office of Inspector General:
  - Advisory Opinion No. 08-02
  - Advisory Opinion No. 04-18
  - Advisory Opinion No. 01-9
  - Advisory Opinion No. 10-11

- Accreditation Council for Continuing Medical Education Standards for Commercial Support: Standards to Ensure Independence in CME Activities