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Sponsor:	Gino Santorio: PRESIDENT/CEO
Section:	GA-Continuing Medical Education
Manuals:	General Administrative

## GA-006-055 Honoraria and Expense Reimbursement

### I. Purpose

To provide standardized guidelines for the payment of honorarium to qualified professionals who are not on Broward Health medical staff, presenting at continuing medical education programs for physicians and to ensure compliance with federal regulations including but not limited to the Stark Law.

### II. Definitions

- A. Continuing Medical Education (CME) activities are defined as educational activities which serve to maintain, develop, or increase the knowledge, skills, and professional performance and relationships that a physician uses to provide services for patients, the public, or the profession. The content of CME is that body of knowledge and skills generally recognized and accepted by the profession as within the basic medical sciences, the discipline of clinical medicine, and the provision of health care to the public.
- B. Fair Market Value: means the value in arm's length transactions, consistent with the general market value. "General market value" means the price that an asset would bring, or the compensation that would be included in a service agreement, as the result of a bona fide bargaining between well informed parties to the agreement who are not otherwise in a position to generate business for the other party at the time of the service agreement.
- C. Immediate Family Member: means the spouse; birth or adoptive parent, child or sibling; stepparent, stepchild, stepbrother or stepsister; father in law, mother in law, son in law, daughter in law, or sister in law; grandparent or grandchild; and spouse of a grandparent or grandchild.
- D. Physician: means 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.
- E. Referral source: means a physician, a physician's immediate family member, an entity that is owned or controlled by a physician or a physician's immediate family member or any non-physician who is in a position to make a referral or control referrals made by another person to a Broward Health region or entity.

### III. Policy

It is the policy of Broward Health to utilize subject matter experts as continuing medical education faculty. Broward Health Medical Staff Members are exempted from honorarium payment. However, they are encouraged to participate as CME faculty and CME activity planners. All CME activities conducted by Broward Health shall comply with federal regulations including the Stark Law and Anti-kickback Statute

and honoraria payment will be within fair market value and commercially reasonable. The terms, conditions and honoraria payment must be in writing in the form of a presenter's agreement and signed by both parties prior to services being provided.

**A. Faculty Honoraria for CME Activities**

1. Honoraria for non-employee, qualified faculty providing continuing medical education activities adhere to the policies and procedures established by Broward Health.
2. Broward Health-Continuing Medical Education Advisory Committee Chair and members have determined guidelines for the basis of honoraria payment utilizing following parameters:
  - a. Faculty member's educational degree(s) and profession
  - b. Expertise in the field
  - c. Involvement in research
  - d. Physical location (in area vs. out of area)
  - e. Length of presentation
  - f. Loss of income due to close of practice to allot for travel time

	<b>Physician Maximum Payment</b>		<b>Non-Physician Maximum Payment</b>	
<b>Area</b>	<b>Local</b>	<b>Out of Area</b>	<b>Local</b>	<b>Out of Area</b>
<b>Amount</b>	\$2,000	\$3,000	\$1,000	\$1,500
<b>Travel Reimbursement</b>	Plus allotted travel/gas allowance in accordance with BH policy	Plus allotted travel allowance in accordance with BH policy	Plus allotted travel/gas allowance in accordance with BH policy	Plus allotted travel allowance in accordance with BH policy

**B. Activities Approved for Payment of Honoraria**

1. Honoraria are paid for the following services:
  - a. Participation as faculty in CME activity
  - b. Development of educational web pages and materials including creation of audiotapes, CD-ROMs or DVDs
  - c. Authoring articles, manuscripts, and monographs
  - d. Participation in the assessment or remediation of health professionals
2. Method of payment – Honoraria will be paid by Broward Health unless the activity is jointly-sponsored and it has been agreed upon that the joint sponsor will pay the honoraria directly.

**C. Reimbursement of out-of-pocket expenses**

1. The ACCME's Standards for Commercial Support require Broward Health to develop and implement a policy on reimbursement of out-of-pocket expenses for planners, teachers and authors of CME activities. Broward Health reimburses planners, faculty or authors all reasonable out-of-pocket expenses to include:
  - a. Coach airfare

- b. Reasonable hotel accommodations
  - c. Food and beverage
  - d. Airport and local transportation (mileage at Broward Health rates)
2. Reimbursement is made directly to the individual by Broward Health and requires original receipts/documentation for validation of expenses.

**IV. Procedure**

- A. Broward Health's CME Coordinator will obtain the fair market value for the honoraria for non-employee qualified faculty through networking with other CME providers.
- B. A presenter's agreement will be prepared by the Contracts Administration and Vendors Relations Department and provided to the CME Coordinator for review.
- C. The CME Coordinator and/or CME Agent will obtain the appropriate signatures on the presenter's agreement from the speaker prior to services being provided and return the fully executed agreement to the Contracts Administration and Vendor Relations Department.

**D. Documentation**

All agreements shall be maintained in the contracts database.

**V. Related Policies**

- Fair Market Valuation
- Business Courtesies to Physicians and Immediate Family Members
- Professional Services Agreement
- Selection of Professional Physician Consulting Services, Contractors.

**VI. Regulation/Standards**

N/A

**VII. References**

N/A

**Interpretation and Administration**

Administration and Interpretation of this policy is the responsibility of the Senior Vice President/ Chief Medical Officer

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**Attachments**

No Attachments