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| Owner | Ximena Restrepo: Compliance and Privacy Partner |
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| Applicability | BCLH System |

# Business Vendor Gifts and Entertainment, A334

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# PURPOSE

The purpose of this policy is to provide guidance regarding the parameters for extending and receiving business-related gifts and entertainment to business vendors and potential business vendors. Guidelines established by this policy do not pertain to courtesies occurring between employees, board members or the volunteer staff.

# POLICY

Billings Clinic – Logan Health (**BCLH**) does not use gifts or other incentives to influence or be influenced by another party who does business or is seeking to do business with BCLH. Instead, BCLH chooses to stand on its own merit and the quality of its services to attract new business and retain existing business. BCLH does not tolerate the use of lavish gifts, trips or other incentives by outsiders attempting to improperly influence BCLH employees, and thereby gain business or influence.

# PROCEDURE

## Receiving Vendor Courtesies

1. As a general rule, gifts to employees from business vendors and potential business vendors are discouraged. In accepting gifts from business vendors and potential business vendors, an employee may not accept an item valued at more than $75.00 per person, per year.
2. Gifts of a personal nature, including cash, are never to be accepted or solicited. See common examples of unacceptable and acceptable business vendor practices attached.
3. Perishable or consumable gifts, such as lunch and floral arrangements, given to a department

or group, are not subject to any specific dollar limit. However, such gifts may not be received from the same business vendor associate more than three times per year.

4. Rules governing the acceptance of gifts, as stated in the above paragraph, do not apply to the acceptance of gifts from patients and/or their families.
5. Meals and/or Entertainment:
    A. The $75.00 limit does not apply when accompanying business vendors and potential business vendors or a potential Referral Source to a meal or entertainment where topics of a business nature are discussed. As a general rule, the event should not exceed $150.00 per event, per person.
    B. Free meals or entertainment provided by a vendor are generally prohibited, with exceptions made for genuine educational sessions led by qualified or trained representatives from an approved contracted vendor. Ensure vendor representatives leading such sessions are properly qualified. Approved sessions may be accepted based on the following criteria:
        a. Infrequent – vendor meals/entertainment must be infrequent (≤ 3 times per year) and only in conjunction with education or business reason.
        b. Not Limited - the event is not limited to a single member participant to avoid conflict of interest and favoritism.
        c. Equal Access - No fee is charged to any invitee or, if a fee is charged or discount is offered, it must be applied equally to every invitee.
        d. Educational Value - the core organizational value is strictly educational, surpassing any recreational or entertainment elements.
    C. Meals with travel/lodging - workforce who receive an invitation to attend vendor educational/ training sessions which may include travel, lodging or entertainment expenses, must obtain the approval from operational leadership before accepting the invitation.

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## Extending Business Courtesies to Vendors and Potential Business Vendors

1. Benefits/Gifts to business vendors and potential business vendors are limited to approved communication/education materials, thank you cards, limited logo items with a value of $25 or less and given on an infrequent basis. Business gifts must be budgeted and should be approved by the Marketing Department. (Examples: Sticky notes, pens, calendars, perishable items, etc.)
2. Benefits/Gifts to a Physicians or their Practice: See Physician Non-monetary Compensation and Incidental Benefits, A320. BCLH will not provide gifts to Physicians as a condition or with the expectation of the Physician doing business with BCLH or referring patients to BCLH.
3. Cash may **never** be given; gift certificates are permitted. There may be occasional exceptions to the $75.00 limit in recognition of the efforts of those who have spent significant amounts of volunteer time on behalf of BCLH. These exceptions must be approved in advance, in writing, by the appropriate operational leader.
4. Rules governing the extending of gifts, as stated above, do not apply to the giving of service

line recovery gifts to a Medicare or Medicaid beneficiary. See *Patient Complaint/Grievance, A402* (15.B) for direction of service recovery gifts for the purpose of improving customer satisfaction.

5. Meals and Entertainment
    A. Infrequent – Such business entertainment must be infrequent.
    B. Educational value – There may be occasions when a colleague wishes to extend to business vendors and potential business vendors an invitation to attend a social event. During these events, t*opics of a business nature must be discussed*.
    C. Cost Threshold – The cost must be reasonable and appropriate which, as a general rule, will not exceed $150.00 per event, per person.
    D. Meals with travel/lodging – These events must not include expenses paid for any travel or overnight lodging.

## Gifts to Government Employees

1. BCLH adheres to federal and state governments restrictions on gifts to government employees. Federal Executive Branch employees may only receive:
    - Minor refreshments during business discussions, or
    - Promotional items with BCLH logo valued at $25 or less.
2. In Montana, public officials and employees generally may not accept gifts worth $100 or more when given due to their official role.

Consult Compliance/Legal before offering meals or other courtesies to government officials.

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# DEFINITION

Business Vendors and Potential Business Vendors: For purposes of this policy, any individual and entity who is not employed by BCLH.

Referral Source: A referral source is an individual or entity outside source such as a supplier, vendor, customer (non-patients) that we refer as a Business Vendor, including government employees.

Infrequent:  For purposes of this policy, infrequent is generally defined as not more than three times per year.

# REFERENCES

- 42 U.S. Code § 1320a–7b
- 81 Fed. Reg. 88,368, and 88,394 (Dec. 7, 2016) “Revisions to the Safe Harbors Under the Anti-Kickback Statute and Civil Monetary Penalty Rules Regarding Beneficiary Inducements”
- Office of Inspector General Policy (OIG) Statement Regarding Gifts of Nominal Value To Medicare and Medicaid Beneficiaries (Dec. 7, 2016)
- OIG Advisory Opinion No. 20-08
- 5 CFR § 2635 sections 201–205 and 301–304 - Government Rules on Gifts from Outside Sources and Between Employees

- BCLH Physician Non-monetary Compensation and Incidental Benefits, A320.
- LH Travel and Business Expense Reimbursement, A523
- BC Business/Vendor Sponsored Travel, O-190
- BC Business Travel/Education Expense for Physicians, O-116
- BC Patient Complaints and Grievances, PR-104
- LH Patient Complaint/Grievance, A402

## Attachments

Attachment A334_Examples of Unacceptable_Acceptable Business Vendors Practices.docx

## Approval Signatures

| Step Description | Approver | Date |
|---|---|---|
| BC Policy Committee | Patti Reisinger: CHIEF COMPLIANCE OFFICER | 04/2026 |
| System Policy Committee | Kelly Stimpson: Associate General Counsel | 04/2026 |
| Owner | Ximena Restrepo: Compliance and Privacy Partner | 04/2026 |

## Applicability

Billings Clinic, Logan Health (locations excluding LHMC), Logan Health Chester, Logan Health Conrad, Logan Health Cut Bank, Logan Health Medical Center, Logan Health Shelby, Logan Health Whitefish