

TITLE: Vendor Relations Policy	POLICY DESCRIPTION: Vendor Relations
PAGE: 1 of 4	TYPE: Compliance and Ethics
EFFECTIVE DATE: August 1, 2004	REFERENCE NUMBER: HPG.002

<p>SCOPE: All HPG Departments, particularly National Agreements, GPO Operations, Clinical Committees, and Advisory Boards.</p>
<p>PURPOSE:</p> <ol style="list-style-type: none"> 1. To articulate guidelines for HPG Colleagues in their relationship with Vendors doing business with HPG. 2. To articulate HPG's expectations of Vendors in their interactions with HPG and its Colleagues. 3. To make clear that, other than as permitted herein, HPG does not wish to place extra-contractual demands on Vendors.
<p>POLICY:</p> <ol style="list-style-type: none"> 1. HPG expects Vendors to respect the Code of Conduct for HPG Colleagues, the HPG Business Relationship Statement, and related HPG policies and procedures. HPG should include in its Vendor contracts an acknowledgement by the Vendor for these policies. 2. HPG may accept Vendor funding for certain events (<i>e.g.</i>, charitable events, trade shows and conferences) only as outlined in this policy, provided that the Vendor's funding and/or participation is not inappropriately offered by the Vendor or solicited by HPG. 3. In no event is any request for, or acceptance of, a Vendor contribution to be connected in any manner, implied or express, with the conduct of business with the Vendor. 4. It is the goal of HPG that discounts, rebates, administrative fees (GPO fees), and any other payments received from Vendors be structured to comply with the Discount Safe Harbor Regulations, and the GPO Safe Harbor Regulations. 5. Any exceptions to this policy must be approved in writing by the HPG President and the HPG Ethics and Compliance Officer ("ECO"). <p>DEFINITIONS:</p> <p>HPG Colleagues or Colleagues:</p> <ol style="list-style-type: none"> 1. Employees of HCA Management Services, LP who work full-time or part-time for HPG under a management contract; and 2. Clinical Committees and Advisory Board Members: individuals who either work full-time or part-time for HPG or are HPG member employees, and who participate on any advisory board or clinical committee for HPG. <p>Vendor - Any entity doing or seeking to do business with HPG.</p>

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PROCEDURE:

A. Expectations of Vendors

1. HPG expects its Vendors to be familiar with the Code of Conduct for HPG Colleagues, HPG Business Relationship Statement, and related HPG policies and procedures which relate to interaction with Vendors and other business associates, including but not limited to the Education Events Policy, HPG.004, Business Courtesies Policy, HPG.005, Entertainment Policy, HPG.006, and Vendor Promotional Training Policy, HPG.007 and to comply with these policies.
2. The HPG website, located at <http://www.healthtrustpg.com/> contains additional information for Vendors regarding HPG's policies and its commitment to ethical business practices and expectations of Vendors with respect to their business practices.
3. HPG encourages its Vendors to have an ethics and compliance program, a code of conduct, or other policies and programs demonstrating their commitment to ethical business practices.

B. Permissible Arrangements for Vendor Funding of Events

Unless approved in writing by the HPG President and the HPG ECO, the following are the only permissible arrangements for Vendor funding of events.

1. Vendor Funded Educational Events.

- a. HPG shall not contract with a Vendor for goods and/or services and at the same time obligate Vendor to provide funding for educational events. This is not intended to address programs to train Colleagues and staff professionals on use of the Vendor's goods and/or services.
- b. HPG may accept funds from Vendors to help underwrite the cost of educational events sponsored at least in part by HPG provided the HPG policy Educational Events Policy, (HPG.004) is followed. Under no circumstances shall a decision to buy products and/or services from a particular Vendor be contingent upon a Vendor's contribution to any education event.

2. Research Grants.

HPG shall not contract with a Vendor for goods and/or services and at the same time obligate Vendor to provide funding for research grants in connection with its agreement to provide such goods and/or services, whether the funds are payable to HPG or any HPG member.

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3. Gifts.

A gift from a Vendor to HPG is permissible provided such gift was not solicited and is not provided in connection with a decision to buy products and/or services from the Vendor. The amount of any gift received from a Vendor will be disclosed by HPG to HPG members at the time of HPG's annual disclosure of GPO Fees received.

4. Trade Shows, Conferences and HPG Meetings.

HPG may permit Vendors to participate in events HPG sponsors, such as trade shows, conferences or meetings for HPG Colleagues- and HPG members, *provided that the Vendors receive something of commensurate value in exchange for their contributions.*

- a. Except as provided herein, Vendors may not be required or permitted to subsidize HPG meetings or conference activities. Vendors may purchase exhibit opportunities at an event HPG is sponsoring provided that all Vendors are charged a like amount for like opportunities (except where appropriate, reduced prices may be charged Minority and Women Business Enterprises and small businesses). HPG may use the money from the sale of exhibit opportunities to offset costs of any portion of the meeting and related activities.
- b. A Vendor may provide materials or samples to be distributed at the HPG-sponsored event *provided* it is clear that the materials or samples were supplied by the Vendor and *provided* that if given to a HPG Colleague the value does not exceed the \$50 gift limit under HPG.005.

An **example** of an appropriate way to permit Vendors to participate in a HPG meeting, conference or a trade show is: HPG is arranging a meeting of Colleagues from several HPG member facilities. HPG sends a letter to Vendors offering booth space at the meeting. The rate that HPG quotes the Vendors is the same for all Vendors for like spaces, except as noted herein. HPG may use any amounts that exceed the costs of the exhibit space to offset costs of the meeting and related activities.

- c. Any deviation from the process outlined in this Section 4 shall be first approved by the HPG President and HPG ECO.

5. Charitable Functions.

From time to time, HPG may be asked by charitable organizations to contribute to their organization or participate in a fundraising event of their organization, including asking or encouraging others outside HPG to participate in the charitable function.

The President of HPG must approve the use of HPG resources to support any charitable

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organization. Such support includes encouraging HPG Colleagues as well as others outside of HPG to participate in a charitable organization's fundraising efforts. If the HPG President approves supporting a charitable organization including encouraging others outside of HPG to become involved, the individual(s) designed by the President to seek others' support must send written invitations to participate to a diverse audience, comprised of Vendors and non-Vendors (e.g., community businesses). The written invitation must include a statement that any failure or refusal to contribute will not affect the recipient's business relationship with HPG. Any funds a Vendor or other unrelated entity chooses to provide the charitable organization must be provided directly from the Vendor to the charitable organization (*i.e.*, not through HPG or any HPG Colleague).

C. Business Courtesies from Vendors

1. **Vendor-Sponsored Entertainment.** Consistent with the limits in HPG's Entertainment Policy, HPG.006, a Vendor may provide to HPG Colleagues entertainment that does not exceed \$100 in value per event at an infrequent rate (generally meaning it does not exceed 4 times per year).
2. **Gifts.** Consistent with the HPG Entertainment Policy, HPG.006, a Vendor may provide to HPG Colleagues gifts that do not exceed a total of \$50 in any one year.
3. **Vendor Promotional Training.** Consistent with HPG's Vendor Promotional Training Policy, HPG.007, Vendors may provide training and information regarding new products or services it wishes to promote and associated travel, meal and entertainment costs provided the recipient's supervisor and the HPG Ethics and Compliance Officer determine that the substantive portions of such event outweigh any entertainment portions.

REFERENCES:

HPG Code of Conduct, July 1, 2004
 HPG Business Relationship Statement, July 1, 2004
 HPG Business Courtesies Policy, HPG.005
 HPG Entertainment Events Policy, HPG.006
 HPG Vendor Promotional Training Policy, HPG.007