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Owner Patrick Murphy:  
Director,  
Hendrick Clinic -  
Cardiovascular &  
Neuro  
Policy Area Hendrick Clinic  
Policy Number 4.4214

## Continuing Medical Education (CME) Expense Reimbursement Procedures (Hendrick Clinic)

### HC.HH.4.4214

#### Purpose:

To establish the Hendrick Clinic procedure for timely, complete and accurate documentation of CME expenses for reimbursement to participants. To administrate CME Expense to qualify (according to IRS guidelines) as non-reportable income to participants.

#### Scope:

Hendrick Health Clinics

#### Definitions:

- **Fiscal Year:** Period of September 1 through August 31
- **Necessary Documentation:** Original *itemized* receipts (airfare, meals, taxi/shuttle, parking, lodging, etc.)

#### Policy:

##### A. PHYSICIAN CME Allowance Amount

1. Per contractual agreement, a Continuing Medical Education ("CME") allowance, not to exceed \$5,000.00 per Hendrick Clinic fiscal year, shall be made available to Physicians. In addition, Hendrick Clinic shall pay Hendrick Clinic approved

professional association dues, limited to two (2) associations, and the Texas medical license fee and DEA of the Physician.

2. Per contractual agreement, CME allowance amount will be prorated for fiscal periods of less than one year. For example, if the provider's agreement begins on June 1<sup>st</sup>, Physician will be allotted One Thousand Two Hundred Fifty and 00/100 Dollars (\$1,250.00) for CME until August 31<sup>st</sup>. Physicians that leave prior to fulfilling their contractual obligation forfeit the remaining CME allowance for year.
3. Physician shall receive five (5) days of Professional Development to attend CME courses.
4. Per contractual agreement, CME payment is conditioned upon Medical Staff privileges and credentials being in good standing, the physician has neither given nor received any notice of termination of the employment agreement and physician has not breached the employment agreement.
5. Per contractual agreement, if physician is reimbursed for CME for a future event and provides Hendrick Clinic with notice of termination to their agreement, physician will owe Hendrick Clinic all amounts previous reimbursed for the future CME event.

#### **B. ADVANCED PRACTICE PRACTITIONER (APP) CME Allowance Amount**

1. Per contractual agreement, a Continuing Medical Education ("CME") allowance, not to exceed \$2,500.00 per Hendrick Clinic fiscal year, shall be made available to APPs. In addition, Hendrick Clinic shall reimburse the APP two (2) HPN approved fees, limited to one (1) Texas license fee and one (1) Drug Enforcement Administration registration number fee.
2. Per contractual agreement, CME allowance amount will be prorated for fiscal periods of less than one year. For example, if the APP's agreement begins on June 1<sup>st</sup>, APP will be allotted Six Hundred and Twenty-Five and 00/100 Dollars (\$625.00) for CME until August 31<sup>st</sup>. APPs that leave prior to fulfilling their contractual obligation forfeit the remaining CME allowance for year.
3. APP shall receive three (3) days of Professional Development to attend CME courses.
4. Per contractual agreement, CME payment is conditioned upon APP's credentials being in good standing, the APP has neither given nor received any notice of termination of the employment agreement and APP has not breached the employment agreement.
5. Per contractual agreement, if APP is reimbursed for CME for a future event and provides Hendrick Clinic with notice of termination to their agreement, APP will owe Hendrick Clinic all amounts previous reimbursed for the future CME event.

#### **C. Effective Dates**

1. Fiscal year dates shall be used for all reimbursement requirements. Balance is reset at the beginning of each fiscal year. Expenses are charged against the year in which they were incurred.

#### **D. Rollover**

1. Any unused portion of the CME allowance shall not be rolled over or added to the CME allowance allotment for the following year.

#### **E. Reimbursable Items**

1. All reasonable expenses related to provider's educational training/maintenance for his/her practice, including but not limited to the following:
  - a. CME Courses and related travel expenses (see CME Course/Travel Expenses)
  - b. Board Certification: preparation courses, examination and maintenance costs
  - c. Professional organizational membership dues
  - d. Medical books and journals
  - e. Educational materials and seminars

#### **F. Non-reimbursable Items**

1. Any items that cannot be documented that are outside other limitations of the provider's employment agreement and/or Hendrick Clinic's policies will not be reimbursed and will be out-of-pocket expenses to the provider (e.g. donations, political action committee support, expenses without itemized receipts, travel not required for attending a conference, items exceeding CME limitations, personal expenses associated with CME travel).

#### **G. CME Course/Travel Expenses (i.e. course fee, travel, lodging and meal expenses)**

1. Limitations
  - a. CME-related reimbursement requests are subject to the same IRS business necessity and documentation/substantiation requirements as other business expenses
  - b. Entertainment, travel companion and alcohol expenses will not be reimbursed
  - c. Any travel expenses for virtual CMEs will not be reimbursed.
  - d. All-inclusive resort fees will not be reimbursed for occupants other than an employed Physician or APP.
  - e. Purchase of Gift Cards associated with the Purchase of CMEs will not be reimbursed.

#### **H. Reimbursement**

1. CME allowance may be used only for provider and CME relating to provider's specialty
2. All CME expenses will be reimbursed from **itemized** receipts that provide proof of payment and turned in within 30 days of the close of the fiscal year. The request for prepaid CME events in the next fiscal year, may be submitted within 90 days prior to the end of the current fiscal year. Any unused portion of such CME allowance shall not be rolled over or added to the CME allowance allotment for the following year.

3. Receipts submitted for reimbursement **after** the fiscal year deadline will not be considered for reimbursement.
4. Bank statements and Credit Card statements are not valid proof of payment.
5. Providers must submit all requests to Hendrick Clinic Administration where they will be reviewed to ensure compliance with all policies. Reimbursement should take no longer than 30 days from the time Hendrick Clinic Administration receives the request and necessary documentation
6. All reimbursements will be paid by direct deposit transactions. It will be the physician's responsibility to update the Accounts Payable department on any changes to direct deposit accounts.
7. If necessary documentation is not included or there are any questions regarding the submitted materials, the provider's reimbursement may be delayed.

## Approval Signatures

Step Description	Approver	Date
VP, COO	Kirk Canada: Hendrick Health VP, Chief Operating Officer - Admi	12/16/2024
Clinic Quality and Compliance Committee	Donna Jennings: Hendrick Health Director, Compliance & Integrity -	11/11/2024
Director, Hendrick Clinic Access Center - HC-Administr	Elisha Wharton: Director, Hendrick Clinic Access Center - HC - Adm	11/8/2024