

I. Policy

- A. Honorarium & Reimbursement Policy

II. Purpose

- A. To establish guidelines to be used when offering payment amounts to faculty of CME activities.

III. Definitions

- A. ACCME – Accreditation Council for Continuing Medical Education is the nationally recognized accrediting agency for continuing medical education.
- B. *AMA PRA Category 1 Credit™* – AMA's Physician's Recognition Award Credit System; also, referred as Category 1 CME.
- C. CMA – California Medical Association is an advocacy organization active in the legal, legislative, reimbursement and regulatory areas on behalf of California physicians and their patients.
- D. CME – Continuing Medical Education: 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.
- E. CME Provider – Hospitals, professional societies and other entities that provide accredited CME to physicians.
- F. ACCME Standards for Commercial Support – Standard 2 – Appropriate Use of Commercial Support – 3.7 States “The provider must have written policies and procedures governing honoraria and reimbursement of out-of-pocket expenses in compliance with the provider’s written policies and procedures.”
- G. Planner – Anyone in a position to control content during the planning stages of a CME activity.
- H. Author – Anyone who controls content for a CME activity that is of a written nature.
- I. Faculty – Anyone who controls content of a CME activity during the verbal presentation.

IV. Procedure

- A. Planners are not paid an honorarium for their role as a planner.
- B. Faculty are only paid for that portion of an activity they attend in which they are

responsible for the content.

- C. After an activity is planned, the CME Coordinator may contact commercial companies and requests an educational grant to help underwrite honoraria and other activity expenses.
- D. Faculty confirmation letters outline the amount of money they will be paid for their time and expertise. They are told they are not to accept payment from any other source for their services relating to the specific activity.
- E. Without prior CME Committee approval honoraria is negotiated between speaker and the CME Coordinator. The Coordinator is authorized to offer up to \$500 standard honoraria.
- F. Requests for more than \$500.00 must be approved by the CME Committee. When there is insufficient time for Committee approval, the Chair may approve up to \$1,000.00.
- G. Members of our medical staff will not be paid an honorarium for presenting a CME activity.
- H. Outside our Medical Staff faculty will receive payment of reasonable honoraria and may receive reimbursement of out-of-pocket expenses. Honoraria amounts may range between \$250.00 and \$3,000.00 depending upon the following criteria:
 - 1. Length of activity
 - 2. Number of presentations delivered
 - 3. Distance traveled
 - 4. Time away from primary occupation
 - 5. Level of expertise with subject matter
 - 6. Local, regional or national stature
- I. The honorarium for CME activities publicized with multiple faculty (including, but not limited to, panel members, physician facilitators, etc.) will be determined and approved by the CME Committee. The CME Committee will base its determination on the amount of preparation time required of each faculty member. The combined honoraria of multiple faculty members shall not exceed the amount of reasonable honorarium offered a single speaker.
- J. Out-of-pocket expenses incurred by a planner, faculty, author, volunteer, or staff are reimbursed only for their official participation as agreed upon in advance and outlined in an agreement signed by the CME Coordinator and the person with whom the expense will occur.
- K. Out-of-pocket expenses incurred by a planner/faculty/author on behalf of an activity approved by the CME Committee or the CME Chair are reimbursed. Types of expenses eligible for reimbursement are:
 - 1. Roundtrip Airfare (economy)
 - 2. Public or Private Ground Transportation (taxi, shuttle, bus)
 - 3. Rental Car (mid size)
 - 4. Gasoline for rental car

5. Mileage at the current IRS rate
6. Hotel (not to exceed \$150.00 per night)
7. Food (not to exceed \$50.00 per day)

L. When payment of honorarium is required, the CME Coordinator requests a check in the amount needed from Medical Staff funds. The honorarium is mailed to the speaker along with a summary of the evaluation forms and thank you letter. All honoraria are paid by Medical Staff funds and under no circumstances will it be paid to speakers from a commercial interest.

V. References

- A. ACCME Standards for Commercial Support
- B. IMQ/CMA CME Accreditation Standards Manual

VI. Cross-References

- A. Faculty Letter

VII. Associated Documents

- A. Faculty Letter
- B. Honorarium & Reimbursement Form

VIII. Approvals

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| A. CME Committee | March 15, 2012, March, 2017 |
| B. Medical Executive Committee | April 10, 2012, April 11, 2017 |
| C. Board of Directors | April 17, 2012, April 25, 2017 |