



CME, Professional Expenses and Individual Physician Expenses (IPE) Reimbursement Policy

Policy Number: 7.21
Policy Effective Date: October 1, 2010

Policy

It is the policy of Steward Medical Group (SMG) that all reimbursement requests for Continuing Medical Education (CME), Professional Dues, and Individual Practice Expenses (IPE) are to be documented on the CME reimbursement form and submitted to SMG's Finance department. Appropriately documented expenses are reimbursed to providers as described in the following policy. Reimbursement forms should be typed.

Purpose

The purpose of this policy is to accurately administer and reimburse CME, Professional Dues and IPE to SMG physicians and advanced practitioners.

Scope

This policy is applicable to all SMG practices.

Procedure

- 1) Physician shall be eligible for time away for CME and CME-related expense reimbursement pursuant to SMG's Human Resources policies applicable to all employed physicians.
 - a) **Continuing Medical Education (CME) Expenses**
 - i) The annual CME and professional expense allowance is \$2500 for contracted physicians, and up to five (5) working days of time away. The limit for the first year with SMG will be prorated according to each physician's contracted start date and FTE status. Funds **and working days** will also be prorated when a provider leaves the organization mid-year according to physicians' termination date and FTE status.
 - ii) Professional dues include a State license, a DEA license, hospital staff dues and other contractually obligated expenses for your employment with SMG.
 - iii) Expenses eligible for CME reimbursement must be properly documented and must adhere to IRS guidelines and regulations. The following expenses are included: registration fees for a CME course, reasonable and necessary transportation and lodging costs, and 50% of meal expenses for the participant only. A certificate of participation/completion for the class must be provided along with an itemized receipt for all expenses, including a line item billing statement for the hotel. In addition, proof of credit card payment or front and back copy of the cashed check or bank statement is required. Meals and transportation for accompanying individuals are not eligible for reimbursement and are considered personal expenses. Other personal expenses, such as spa treatments, alcohol, sports participation, and gift shop purchases are not allowed.

- iv) In addition, the following expenses can be reimbursed through the CME allowance if funds are available: professional publications, textbooks, online education courses, dues for specialty societies, and specialty specific academic dues. Also, expenses for achieving and maintaining board certifications are eligible for CME reimbursement.
 - v) When the annual CME allowance is depleted, other business related expenses can be processed as IPE (Individual Physician Expenses) as described below.
- b) **Advanced practitioners** will receive an annual combined CME and professional dues allowance of \$2500, and up to five (5) working days of time away. Professional dues include a State license, a DEA license, hospital staff dues and other contractually obligated expenses for employment with SMG.
- i) The limit for the first year with SMG will be prorated according to each advanced practitioner's start date and FTE status.
 - ii) Funds **and working days** will also be prorated when an advanced practitioner leaves the organization mid-year according to the advanced practitioner's termination date and FTE status.
- c) **Individual Physician Expenses (IPE) for Physicians only:**
- i) IPE reimbursement may be used for CME-related expenses that exceed the limits allowed for CME reimbursement. IPE reimbursement may also be used for, but is not limited to: journals, reference books, and medical conferences.
 - ii) IPE reimbursement requests are submitted for business expenses that meet IRS guidelines and regulations and are reasonable and customary in nature. There is no limit on the dollar amount of expenses that can be submitted.
 - iii) IPE Expenses are treated as a reduction of gross taxable wages and are then added back to the physician's salary after taxes have been deducted. The net effect is a tax dollar savings for the physician but no other monetary gain is received. Therefore, these expenses are not "reimbursed" by SMG.
 - iv) Only expenses that qualify as business expenses per IRS guidelines are eligible for IPE treatment. For example, charitable and political donations are considered personal expenses and are not treated as IPE. However, business mileage, reference books, and other similar business related expenses are eligible for IPE treatment. Please note that you will need to document your percentage of business use of your personal vehicle and submit support for your reimbursement. Personal use of your vehicle is not a reimbursable business expense. This is an IRS regulation.
 - v) Other examples of IPE include: medical conferences, journals or other business related expenses that exceed the limits allowed for CME reimbursement. Due to strict IRS guidelines, computers, PDA's or similar devices are not reimbursable under the IPE policy.
 - vi) Reimbursement for business mileage must adhere to the following IRS guidelines: commuting between home and your main work location are non-deductible personal expenses and cannot be processed through IPE. The only mileage that can be submitted through IPE is mileage between your main work location and a temporary work site, i.e.; the hospital. Also allowed would be mileage from your home to the hospital if you are on call and have to go to the hospital (if the hospital is NOT your main work location).
 - vii) If the IPE reimbursement methodology is utilized, then you cannot deduct these expenses on your personal tax return.
- d) **Professional Expenses**
- i) Physicians shall be eligible to professional expense reimbursement including but not limited to: DEA application, MA controlled substance license, membership in professional organizations provided that membership in such organization is required for Physician to practice Physician's specialty or to achieve or maintain board certification in Physician's specialty, hospital medical staff annual dues and fees relating to board certification and maintenance thereof. A copy of the license and proof of credit card payment or front and back copy of the cashed check or bank statement is required for reimbursement.
- 2) CME, Professional Dues and IPE expenses will be accounted for by the finance department staff, and your fund balance will be updated on a regular basis. Contact SMG's Director of Finance for any information you need regarding your available balance or the status of any expenses you have submitted.

Review and Approval

The following Steward Health Care System personnel originated and approved this policy:

Contact	SMG CME Sub-Committee
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Revision date	June 2014, October 2016, September 2017, March 2018
Review date	March 2019
Approved by	SMG Board of Trustees