



Transparency in Charitable Contributions FAQs

1. Why is information about charitable contributions being disclosed?

We are proud to have the privilege of providing charitable contributions to various community organizations. We believe that being transparent with this information is the appropriate action to demonstrate our commitment to providing the highest quality healthcare products and services.

In addition to the information, we disclose about charitable contributions on this website, we annually report certain information related to charitable contributions to the Centers for Medicare and Medicaid Services (CMS), in compliance with the requirements of the Physician Payments Sunshine Act, commonly known as Open Payments, and its implementing regulations.

2. What charitable contribution information do you disclose?

We provide the name of the requestor, the city/state where the requesting organization resides, the title of the activity, the amount of the contribution, and the type of contribution (cash or product).

3. How is the total amount of the charitable contribution determined and distributed?

The amount approved for funding is a result of the charitable contribution review process. Funding amounts may be based on project/event budgets, fair market value, organizational geographic scope, and merits of the request. This may be of an equal or lesser amount than requested in the application. The organization has complete control over the distribution of funds received from us.

4. How are pharmaceutical product donations valued for disclosure and reporting?

In accordance with general practices and industry standards within the United States, we value product donated at fair market value.

If we are aware that the product will be distributed and used in countries outside of the United States, we may establish a product value based on the anticipated or actual fair market value of the donated product in those countries in which it will be used. In all other situations, we will use the published list price in the United States to value the product for external reporting purposes.

In the case of samples donated, product will be valued at standard cost as this product is not available commercially and therefore a published list price does not exist.

5. What is the difference between a charitable contribution and an educational grant?

A cash charitable contribution is a financial donation that is philanthropic in nature provided to a nonprofit organization to support a specific community-based (or regional/national) program, project, or event.

Charitable contributions are not provided for healthcare professional education initiatives. Charitable contributions may be cash or product donations.

An Educational Grant falls into one of the following categories:

- **Accredited Continuing Education:** educational programs for healthcare providers such as physicians, nurses, and/or pharmacists that provide continuing education credits.
- **Non-accredited Professional Educational Activities:** educational programs for healthcare providers such as physicians, nurses, and pharmacists that do not provide continuing education credits.
- **Patient Education:** printed/online educational materials or a live program produced for people living with a particular disease or condition.
- **Fellowships:** support for bona fide fellowship programs at teaching institutions, medical societies and cooperative groups. We also may support travel grants for fellows, residents or healthcare providers in training to attend relevant major medical or scientific conferences for the purpose of education. All support is in agreement with the AMA Council on Ethical and Judicial Affairs Gifts to Physicians from Industry.

6. How do you handle expenses that are part of a charitable contribution for which you receive some benefit?

We require organizations to complete an Omnibus Budget Reconciliation Act of 1993 (OBRA) form. This form documents the amount of the contribution that can truly be considered charitable versus a portion of the amount that represents payments for expenses by the organization for which we receive some benefit (i.e., business expenses). Please note that some of these nominal business expenses associated with some charitable contributions may be included in this report.

7. How are programs that are jointly funded by you and another affiliated company reported?

As each company is a separate legal entity, the company that provides the funds directly to the nonprofit organization reports the donation.