

A photograph of two women in a clinical or laboratory setting. One woman is wearing a white lab coat over blue scrubs, and the other is wearing a light-colored business suit. They are both looking at a laptop screen. The background is slightly blurred, showing other people in white coats.

FREQUENTLY ASKED QUESTIONS ABOUT THE SUNSHINE ACT

WHAT IS THE SUNSHINE ACT AND WHY WAS IT PASSED?

The Sunshine Act, also known as “Open Payments,” is a federal law that requires healthcare manufacturers to track and report payments and transfers of value (POTV) to certain healthcare professionals (HCPs) and healthcare organizations (HCOs). Congress passed the Sunshine Act in 2010 in the interest of providing greater transparency into interactions between the healthcare industry and healthcare providers. Abbott supports the goals of the Sunshine Act because we recognize that transparency inspires public trust and confidence.

WHAT ARE THE KEY DATES?

- Data for January 1 through December 31, 2020 are submitted to the government on March 30, 2021.
- Physicians and teaching hospitals can start reviewing their data in early April.
- The government plans to make data available to the public on its website on June 30, 2021.
- Physicians and teaching hospitals can continue to review and dispute their data through the end of 2021; the government will update the published data at a later time.

WHO WILL APPEAR ON THE REPORT?

The Sunshine Act requires tracking and reporting for physicians and teaching hospitals.

- Physicians are defined as Doctors of Medicine, Doctors of Osteopathy, Doctors of Dentistry, Doctors of Dental Surgery, Doctors of Podiatry, Doctors of Optometry and Doctors of Chiropractic Medicine.
- Teaching hospitals have been specifically identified by the federal government in a list published at <http://go.cms.gov/openpayments>.

Entities that perform research or clinical trial work, or that receive a POTV “at the request of” or “on behalf of” a physician (along with the physician), will also appear on the report.

WHAT IS COVERED BY POTV?

POTVs include but are not limited to:

- Meals (including snacks, lunches and receptions)
- Consulting, speaker fees and associated expenses
- Travel
- Educational items (such as data cables, textbooks and journal reprints)
- Grants and charitable donations
- Clinical trial payments
- Research fees
- Royalties and license payments

IS THERE ANY THRESHOLD FOR REPORTING?

Any POTV must be reported when it is worth \$10 or more. Even if a POTV is worth less than \$10, such POTV must be reported when the sum of all POTVs given to a particular recipient in one reporting year exceeds \$100.

ARE THERE ANY EXCLUSIONS?

Yes; exclusions include:

- Refreshments provided at large-scale meetings where it is infeasible to track attendees
- Educational materials such as pamphlets that are intended for patient use
- Product samples for patients, including coupons and vouchers
- Product provided for demonstration or evaluation (up to 90 days' supply)
- Product loans of up to 90 days' duration
- Products and services provided under a contractual warranty, service or maintenance agreement
- Discounts and rebates

WHAT INFORMATION WILL BE REPORTED TO THE FEDERAL GOVERNMENT?

- Physician name, business address, specialty, National Provider Identifier (NPI) and state license number
- Date of payment, value of payment and codes describing the purpose and form of payment
- Product name and therapeutic area
- If applicable, name of entity that received the POTV at the request of or on behalf of the physician

HOW CAN I MAKE SURE THAT MY IDENTIFYING INFORMATION APPEARS CORRECTLY IN THE REPORT?

Companies follow the direction provided by the federal government requiring that companies report the name and address from the government's Validated Physician List. This list is based in part on the information associated with each physician's NPI number. It is the physician's responsibility to update this information. You can view and update your NPI information through the government's database at <https://nppes.cms.hhs.gov/NPPES> or by calling 1-800-465-3203. Teaching hospitals can view their organization name, taxpayer ID(s) and addresses by downloading the list of teaching hospitals at <http://go.cms.gov/openpayments>.

Questions can be directed to OpenPayments@cms.hhs.gov.

WILL PHYSICIANS HAVE TO PAY TAXES ON THE POTV?

Abbott is not aware of any change in the tax treatment of POTVs tracked for Sunshine Act purposes. Abbott does not provide tax information or advice and requests that you consult your tax advisor on any specific questions.

HOW WILL MEAL EXPENSES BE ALLOCATED AMONG INDIVIDUALS WHO ARE/AREN'T COVERED BY THE LAW?

Meal costs will be allocated evenly across all attendees who partake of the meal. Unlike some state requirements, costs will be reported individually; expenses for office staff such as receptionists will not be consolidated and reported for the physician in the office.

In order to maintain accurate records, Abbott collects the name of each individual attending a meal. You can help us to track accurately by letting your Abbott contact know at the time attendance is collected whether any attendee chooses not to consume the meal provided.

WHERE CAN I VIEW MY DATA OR ASK QUESTIONS ABOUT SPECIFIC REPORTED TRANSACTIONS?

In order to protect your identity and additional details related to specific transactions, Abbott requests that you register in the government's Open Payments system (at <http://go.cms.gov/openpayments>) to access your data. You may also submit questions and initiate disputes for specific transactions through this system on a rolling basis. All queries from the government's system are routed to Abbott's dedicated transparency reporting team for response.

WHAT IS NEW IN 2021?

Effective January 1, 2021, the Sunshine Act definition of a covered recipient expanded to include five new provider types:

- Physician Assistants
- Nurse Practitioners
- Clinical Nurse Specialists
- Certified Registered Nurse Anesthetists (including Anesthesiologist Assistants)
- Certified Nurse Midwives

Abbott began tracking POTV to these five new provider types in 2021 and will submit this data to the government beginning in 2022.

IF I HAVE OTHER QUESTIONS, WHO CAN I CONTACT?

Please email your questions to TransparencyReporting@Abbott.com, and our dedicated transparency team will respond.