

Dear Doctor:

Welcome to the Professional Development Allowance (PDA) Visa program. For your convenience, this card is to be utilized for payment of your professional development expenses on an annual basis. Rather than submitting receipts for reimbursement of your expenses once you have incurred them, you may now use this credit card for payment at the time of purchase. Your Visa is already activated and ready for your use and contains your allocation. Each January, your new year's allocation will be automatically added to this account.

The attached packet will provide further information about the PDA benefit. The PDA card is to be utilized for all your professional development allowance expenses including society dues, books, journals, DVDs, CDs, board preparation and board certification expenses, and non-participant professional conference travel expenses. Please remember that utilizing your JPMorgan Visa for CME conference expenses does not eliminate the requirement to request and receive approval from your supervising physician for the conference itself and associated time away. It does, however, eliminate the reimbursement process. The Visa is used for all applicable conference expenses.

For audit purposes, retain your receipts, conference documentation and monthly PDA bank statements for one year, after which they can be destroyed. Requests from the Audit Department for documentation or repayment of unacceptable PDA expenses must be responded to promptly. Failure to comply with audit inquiries may jeopardize your participation in the PDA program.

To obtain your balance or the last ten transactions, please contact JPMorgan Customer Services at 1-800-270-7760. You will be asked for a four-digit security code. This code is the last four digits of your HFHS Employee ID number. JPMorgan does not have Social Security or birth date information on our physicians; therefore, the Employee ID is the unique security code.

Please do not hesitate to contact me with any questions or concerns.

Sincerely,

Michael Littleton

Human Resources

313-916-0035

SECTION: COMPENSATION/BENEFITS Rev: 1/2010	POLICY: PROFESSIONAL DEVELOPMENT ALLOWANCE (PDA) Policy: 264.00 Page 1 of 2
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POLICY:
Professional Development Allowance

Periodically, the Human Resources Committee shall establish, with the Board of Governors' approval, a Professional Development Allowance for each staff category outlined in Section 1.2.1. Such allowance shall be pro-rated based on the staff member's full-time equivalent (FTE) level as of January 1st of each year. Unused allotment of a Professional Development Allowance may be carried over to the subsequent year and cannot exceed more than one (1) year's accumulation.

All staff members who regularly work at least 80% time are eligible for the full PDA amount. Staff members who regularly work less than 80% will also be eligible for the PDA. The allowance amount for members who work less than 80% will be pro-rated based on the member's full-time equivalent (FTE) level as of January 1st of each year. For eligible staff joining after January 15, a pro-rated PDA amount will be provided based on the number of months as a staff member. If a staff member FTE level goes below 80% his/her PDA balance is pro-rated from that time forward.

Continuing education or professional development expenses which are reimbursable are those which assist the eligible staff member to maintain or improve his/her professional skills or to meet the requirements of:

- (1) HFMG for continued employment
- (2) A professional specialty or society membership
- (3) Any law or regulation governing the eligible staff member's areas of practice.

Expenses covered by other sources such as medical societies or grant funds shall not be eligible for reimbursement from an eligible staff member's PDA.

ELIGIBLE AND INELIGIBLE EXPENSES

The acceptable and unacceptable items in the following list are based on IRS definitions and provisions applicable to utilization of the Professional Development Allowance

Acceptable Non-Travel PDA Expenditures:

- Books and journals*
- Scientific/educational videos/CD/DVD*
- Professional society dues (excludes voluntary contributions)
- Medically related computer software (i.e. MGH Education Series, Medical Practice Management, etc.)*
- Out of state medical licensure(s)
- Reprint materials
- Journal subscription(s) *
- CME courses, i.e., conferences, seminars, web-based training
- Teleconferences

*Tax regulations interpretation indicate HFMG should retain ownership of these capital items upon termination. Any materials retained could be subject to taxable income.

Unacceptable Non-Travel PDA Expenditures:

- Computer hardware (i.e.: a computer, printer etc.) and non medically-related software or upgrades
- PDA (Personal digital assistant)
- PDA bill
- Cellular phone
- Cellular phone bill
- Membership fees for personal clubs
- Voluntary contributions to professional societies
- Airline ticket upgrade from coach to first class
- Lab coats
- Medical equipment (i.e.: stethoscope)
- General office supplies (i.e.: special pens, planners, etc.)

HFMG will fully pay the eligible staff member's membership dues for the AMA, County and State Societies for eligible staff M.D. In addition, HFMG will assist with the annual membership dues for eligible staff members who elect to participate in the American Osteopathic Societies in lieu of the AMA, County and State, in the following percentages: 50% of the American Osteopathic Association and 80% of the Michigan County and State Medical Osteopathic Societies. For the member's convenience the balance of society membership dues may be deducted from their PDA.

Termination: Terminating staff members are required to notify the department when leaving the system and are eligible to use the pro-rated amount, based on last day of employment. Exceptions must be approved by the Medical Director/Chair. Staff members are not eligible for payout of unused monies.

**PROFESSIONAL DEVELOPMENT ALLOWANCE
FREQUENTLY ASKED QUESTIONS/ANSWERS
HFMG Senior Staff**

How much money do I get in my PDA each year. Is there a rollover of previous funds?

The annual amount accrual for full-time senior professional staff is \$2700. Part-time physicians receive a prorated amount. Funds from the remaining year are automatically rolled over up to \$2,700. The maximum ever allowed in the PDA account is \$5,400.

What can I purchase with my JPMorgan Visa PDA card?

The Visa Procurement Card is to be used for non-participant travel expenses to professional conferences, including conference registration, hotel, food, parking, coach airfare, or gasoline when driving to out-of-town conferences, etc. It is also used for books, journals, society dues, etc. Reference the Professional Development Allowance Policy 264.00 for further details.

When I call JPMorgan, they ask for a four-digit security code. What is the code and why do I need it?

The four-digit security code is the last four digits of your Henry Ford Health System Employee ID number. This security code has been enacted to help secure your information. Generally, the last four digits of the Social Security number would be required; however, this private information has not been shared with JPMorgan.

What is my current available balance? Can I access this online?

Contact JPMorgan Customer Service at 1-800-270-7760, using the 4-digit security code of the last four digits of your Employee ID number and ask for "available credit"

What is the billing address:

Your name as it appears on the card, 1 Ford Place, Detroit, MI 48202. It is NOT your home address.

Can I use the Visa to purchase a smartphone, iPad, or computer?

The card cannot be used to purchase any computer hardware, smart phones, or accessories.

Can I purchase computer software programs?

Software programs that are allowable are medically-related software (i.e., MGH Education Series, Medical Practice Management, etc.) Software not allowable would include any software upgrade such as Excel, Microsoft word upgrade, etc.

How do I pay for my state license or DEA renewal?

As a benefit, HFHS pays for your state license and DEA, so these would not come out of your PDA. They are renewed online with a personal credit card, and submitted to Medical Staff Affairs, OFP 2E for reimbursement (Fax: 313-874-4677 ATTN: Quantressa Edwards)

Can I use my PDA to pay for my boards, recertification, preparation courses or ACLS?

Yes, the PDA can be used for these purchases. There is no other institutional funding source for these expenses

Can I use my PDA for ACLS, ATLS, PALS, etc.?

Yes, the PDA can be used for these expenses.

Can I use the PDA to purchase a lab coat or stethoscope?

The PDA cannot be used to purchase any medical equipment, such as a stethoscope or lab coat. Also, the PDA cannot be used to purchase office supplies.

I use the internet at home for my job. Can I use my PDA to pay the monthly fees?
No, PDA funds cannot be used for home internet or any wireless fees.

I have lost/misplaced my card.
Please call JPMorgan immediately to inform of lost/misplaced card at 1-800-270-7760, 4-digit security code is the last four digits of your Employee ID number.

I want to use my card, but the purchase is more than my balance. Will the card go through and put my balance in a negative?
The Visa is used as a debit card. The card will not allow you to purchase over the balance available. Anything over the balance on the PDA card must be paid with personal funds.

I made a purchase with my own credit card. How do I get reimbursed?
All purchases utilizing the Professional Development Allowance are to be made using the JPMorgan Visa Procurement Card. Reimbursement for any professional development expenses incurred by means other than the Visa must be submitted through the online Concur reimbursement process.

I am an Osteopathic Physician – How are my membership dues covered?
The membership dues benefit for Osteopathic Physicians is 50% of the AOA dues and 80% of the Michigan County and State Osteopathic societies are covered for eligible staff physicians. Pay the dues using your PDA card and notify Michael Littleton, mlittle5@hfhs.org. Your PDA account will be reimbursed the proper amount.

The vendor does not accept credit cards and I want this item reimbursed from my PDA.
All purchases utilizing the Professional Development Allowance are to be made using the Visa Procurement Card. For situations where this is not possible, reimbursement may be requested through the online Concur reimbursement process.

I mistakenly used my card for an expense that is not PDA-related.
Submit a check or money order for the appropriate amount to Henry Ford Health System and a brief note of explanation to Michael Littleton, Human Resources. The amount will be reimbursed back into your PDA account and Audit will be notified that this has been rectified.

Is the PDA card used for PARTICIPANT TRAVEL EXPENSES?
No, the JPMorgan Visa is used only for non-participant travel expenses. Participant travel expenses are incurred on a personal credit card or check, and submitted for reimbursement through the online Concur reimbursement process after the completion of travel. Charges made to the PDA for participant travel will not be reversed at a later date. Please be aware of the expectation of the funding source when requesting CME travel time and carefully complete the travel category in Section 1 of the Travel Request.

Can I use the Visa for International Travel?
Yes.

Who can I contact with other questions or concerns?
Michael Littleton, Human Resources, 313-916-0035 or mlittle5@hfhs.org