

**Medica Services Company, LLC (“MSC”),
on Behalf of Itself and Its Affiliates (“Medica”)
Policy on Travel and Other Reimbursable Expenses (“Expense Policy”)
for Third Party Provider of Goods/Services (“Contractor”)**

I. GENERAL PURPOSE OF EXPENSE POLICY

The purpose of this Expense Policy is to ensure that the Contractor will exercise discretion and good business judgment and incur expenses only in a cost-conscious, reasonably prudent and judicious manner, as an individual would if he or she were spending his or her own funds. In all cases, incurred expenses must be reasonable, necessary and verifiable in order for the Contractor to seek reimbursement from Medica. All expenses incurred must be reported within 60 days of the date they were incurred and a list of such shall accompany any invoice issued by the Contractor. Medica will reimburse only expenses that are supported by sufficiently detailed documentation and are otherwise in conformance with the terms of this Expense Policy. Expenses will not be reimbursed under any circumstances unless Medica is satisfied that the Contractor has complied in full with the requirements set out in this Expense Policy. Any deviation from this Expense Policy may result in payment delay or nonpayment of invoices submitted to Medica. Finally, Medica reserves the right to make modifications to this Expense Policy at any time and for any reason.

II. SPECIFIC TERMS OF EXPENSE POLICY

1. Expense Summary

Expense reimbursement requests must be submitted within 60 days in the form of a written expense summary. The expense summary, which shall accompany the Contractor’s invoice, must include:

- An itemized list of all expenses for which reimbursement is requested, including the itemized receipt listing the food and beverages ordered. Contractor employees must itemize their expenses by day and category as follows: mileage (include number of miles), lodging, travel (e.g., airfare and baggage fees, car rental, taxis, parking, tolls), meals, and miscellaneous.
- The traveler’s name, the project requiring such travel, and the date, origin, destination and purpose of the trip, including a description of each Medica-related activity during the trip, if reimbursement for travel is requested.
- The name and affiliation of all people for whom expenses are claimed (i.e., people on whom money is spent in order to perform services on the project), if reimbursement for external meetings is requested.

2. Receipts

Receipts are required for all expenditures greater than \$25 to be billed to Medica by the Contractor, such as airfare, hotel charges and meals. No expense in excess of \$25 will be reimbursed to the Contractor unless the Contractor employee requesting reimbursement submits with the expense summary an itemized, detailed receipt (not a credit card receipt or statement) listing the food and beverages ordered, showing the Contractor’s name, the date and the total expenses, including tips (if applicable and calculated up to a maximum of 20 percent).

3. Travel-Related Expenses: General Requirements

- a. Advance Approval. All trips of the Contractor involving air travel or at least one overnight stay must be approved in advance in writing by the Medica business owner.
- b. Necessity of Travel. In determining the reasonableness and the necessity of travel expenses, the Contractor and Medica shall consider the ways in which Medica will benefit from the travel and weigh those benefits against the anticipated costs of the travel. The same considerations shall be taken into account in deciding whether a particular individual's presence on a trip is necessary. In determining whether the benefits to Medica outweigh the costs, less expensive alternatives, such as participation by telephone or by video conferencing, or the availability of local programs or training opportunities, shall be considered.
- c. Other Business Conducted on Medica-Related Trip. If other business is to be conducted by the Contractor while on a Medica-related trip, the itinerary must be approved in writing by the Medica business owner and the costs shared, as appropriate. Documentation must be provided to prove the expenses are appropriately being allocated to Medica. Expenses associated with travel of an individual's spouse, family or friends will not be reimbursed by Medica and are not to be included on receipts submitted for reimbursement.

4. Air Travel

- a. General. Air travel reservations should be made as far in advance as possible in order to take advantage of reduced fares. Medica will reimburse or pay only the cost of the lowest coach-class fare available for direct, nonstop flights from the airport nearest the individual's home or office to the airport nearest the destination (first and business classes are not reimbursable). Medica will not pay or reimburse for ticket or seat upgrades. (Contractor employees may upgrade at their own expense or by utilizing their own upgrade certificates.) Any fees outside of the normal coach fare will not be reimbursed. For any airfare other than coach, the Contractor employee must provide written documentation that the airfare booked was no more expensive than that of the coach ticket when the flight was booked.
- b. Frequent Flyer Miles and Compensation for Denied Boarding. Contractor employees traveling on behalf of Medica may accept and retain frequent flyer miles and compensation for denied boarding for their personal use. Contractor employees may not deliberately patronize a single airline to accumulate frequent flyer miles if less expensive comparable tickets are available on another airline.

5. Ground Transportation and Related Expenses

The Contractor is expected to use the most economical ground transportation appropriate under the circumstances and should generally use the following, in this order of desirability:

- a. Courtesy Cars. Many hotels have courtesy cars to take guests to and from the airport at no charge. The hotel will have a courtesy phone at the airport if this service is available. The Contractor should take advantage of this free service whenever possible.
- b. Airport Shuttles or Buses. Airport shuttles or buses usually travel to and from all major hotels for a small fee. At major airports, such services are as quick as a taxi and considerably less

expensive. Airport shuttle or bus services are located near the airport's baggage claim area.

- c. Taxis/Uber/Lyft. When courtesy cars and airport shuttles or buses are not available, a taxi/Uber/Lyft is the next most economical and convenient form of transportation when the trip is for a limited time and minimal mileage is involved. A taxi/Uber/Lyft may also be the most economical mode of transportation between the Contractor employee's home and the airport.
- d. Rental Cars. Car rentals are expensive, so other forms of transportation should be considered when practical. The Contractor will be allowed to rent a car while traveling out of town for the project only if advance written approval has been given by the Medica business owner and the cost is less than alternative methods of transportation. Medica will not reimburse limousines, luxury, sport, SUV. The vehicle size should be appropriate for the number of people traveling. Travel insurance premiums (including rental car insurance) are not reimbursable. Fees for navigation or Global Positioning System (GPS) devices will not be reimbursed.

Medica's policy is for the Contractor to book the least expensive compact up to a full-size vehicle

- Avis, Enterprise, and Hertz are preferred vendors of Medica. Medica's rental car discount codes for these vendors are as follows:
 - Avis – X364334
 - Hertz – 1619089
 - Enterprise – 19S0336 (S is the only letter, all others are numbers)
- e. Personal Cars. Contractor employees shall be compensated for use of their personal cars when used in connection with the project. When Contractor employees use their personal cars for such travel, including travel to and from the airport, mileage will be allowed at the currently approved IRS rate per mile.

In the case of Contractor employees using their personal cars to take a trip that would normally be made by air (e.g., Minneapolis to Milwaukee), mileage will be allowed at the currently approved rate; however, the total mileage reimbursement will not exceed the sum of the lowest available round trip coach airfare to the location.

- f. Parking and Toll Expenses. Parking and toll expenses, including charges for hotel parking, incurred by Contractor traveling on matters required by the project will be reimbursed. The costs of parking tickets, fines, car washes, valet service, etc., are the responsibility of the Contractor employee and will not be reimbursed. On-airport parking is permitted for short trips.
- g. Transportation - Alternate Hotel. If the Contractor chooses an alternate hotel farther away from the meeting site, Medica will not reimburse the cost for transportation between the alternate hotel and the meeting site.

6. Lodging

Contractor employees traveling on behalf of Medica may be reimbursed at the single room rate for the reasonable cost of hotel accommodations. Convenience, the cost of staying in the city in which the hotel is located, and proximity to other venues on the individual's itinerary shall be considered in determining reasonableness. Contractor employees shall make use of available corporate and discount rates for hotels. "Deluxe" or "luxury" hotel rates will not be reimbursed. Contractor employees may not deliberately patronize a single hotel chain to accumulate points if less expensive comparable hotels are available.

- Medica's policy is for the Contractor to book the lowest available rate at a reasonable hotel. Medica has negotiated a rate for Country Inn and Suites on Carlson Parkway North in Plymouth, Minnesota (as shown below). If alternate accommodations must be used, it should be at a similar rate with the maximum reimbursable hotel rate of \$200 plus taxes and fees.

Country Inn and Suites
210 Carlson Parkway North Plymouth, MN 55447
763-473-3008
Rate: \$124 including taxes Ask for Medica discount rate

7. Out-of-Town Meals

Contractor employees traveling on behalf of Medica are reimbursed for the reasonable and actual cost of meals (including tips up to 20 percent of the bill) up to the per diem maximum. The per diem is \$46 for all cities except for Baltimore, Boston, Chicago, New York and Washington, D.C.; those cities have a per diem of \$71. On the first and last day of travel, reimbursement will be at 75 percent of the per diem rate for that city, regardless of the time Contractor employees leave or return.

Contractor employees will not be reimbursed for any remaining part of the per diem that exceeds the cost of their meals. Any individual meal exceeding \$25 must have an itemized receipt listing the food and beverages ordered. If no itemized receipts are provided, the Contractor employee must attest that no meal was over \$25. Alcohol will not be reimbursed.

8. Entertainment and Business Meetings

Reasonable expenses incurred by the Contractor and required for meetings with clients will be reimbursed only if the expenditures are approved in advance in writing by Medica. Detailed documentation for any such expense must be provided, including:

- Date and place of entertainment.
- Nature of expense.
- Names, titles and corporate affiliation of those entertained.
- A complete description of the business purpose.
- Vendor receipts (not credit card receipts or statements) showing the vendor's name, a description of the services provided, the date and the total expenses, including tips (up to 20 percent of the bill, if applicable). For food, an itemized, detailed receipt listing the food and beverages ordered is required.

9. Communication, Secretarial and Other Expenses

Reasonable business-related telephone and fax charges due to absence of Contractor employees from the office of the Contractor are reimbursable. In addition, reasonable and necessary gratuities that are not covered under meals may be reimbursed. Finally, emergency secretarial work and postal charges incurred are reimbursable. Support staff overtime is not reimbursed; it is the policy of Medica not to reimburse support staff overtime because payment for support staff is considered to be already included in the compensation paid to the Contractor.

Reasonable copying costs will be reimbursed. The cost per copy and the number of copies must be specified.

Reasonable expenses for telephone, express mail and messenger services will also be reimbursed. An explanation of the telephone expense including an itemized bill listing the number of minutes and the rate per minute and a receipt for express mail and messenger service must accompany the invoice for charges exceeding \$25.

10. Non-Reimbursable Expenditures

Expenses that are not reimbursable to the Contractor include but are not limited to:

- Hourly fees for travel time in flight, travel time to and from the airport, and overnight stay, unless the Contractor is 100 percent engaged in performing necessary and reasonable services required by the project and has obtained prior written approval from Medica.
- Travel insurance.
- GPS or other navigation devices.
- First-class tickets or upgrades.
- Seat assignment charges.
- Extra luggage fees.
- Limousines, luxury, sport, or SUV vehicle travel.
- Movies.
- Alcohol or bar costs.
- Membership dues at any country club; private club; airline or frequent traveler club; or athletic club, golf club, tennis club or similar recreational organization.
- Participation in or attendance at golf, tennis or sporting events, without the advance written approval of Medica.
- Purchase of golf clubs or any other sporting equipment.
- Clothing purchases.
- Spa or exercise charges.
- Business conferences and entertainment of the Contractor that are not related to the project and approved in writing by Medica.
- Valet service and car washes.
- Toiletry articles.
- Expenses for spouses, friends or relatives.
- Overnight retreats, without prior written approval of Medica.

When lodging accommodations have been arranged by the Contractor at rates in excess of the rates Medica can negotiate in the location, reimbursement shall be made at the amount no higher than the rate Medica could have negotiated.

If a spouse, friend or relative accompanies the Contractor on a trip, it is the responsibility of the employee of the Contractor to pay for all added cost for double occupancy and related expenses and to make the appropriate adjustment in the reimbursement request to be made to Medica.

DATE OF LAST POLICY REVISION

August 27, 2021