

Service Area:	YALE NEW HAVEN HEALTH POLICY & PROCEDURES		
Title: Employee Innovation & Intellectual Property			
Date Approved: August 9, 2019		Approved by: System Operating Committee	
Date Effective: September 1, 2019		Date Reviewed/Revised: NEW	
Distribution: MCN Policy Manager		System Policy Type (I or II): Type I	
Supersedes: N/A			

PURPOSE

To foster a culture of innovation among Yale New Haven Health System (YNHHS) employees; to establish incentives for employees to share their innovative solutions to problems facing the healthcare industry with YNHHS; and mutually develop those solutions to fruition and potentially share any commercialized intellectual property as a result.

APPLICABILITY

This policy applies to YNHHS, and each of its affiliated entities, its affiliated hospitals (Bridgeport Hospital, Greenwich Hospital, Yale New Haven Hospital, Lawrence + Memorial Hospital, Westerly Hospital, and any other hospital that affiliates with YNHHS), its affiliated providers (including but not limited to Northeast Medical Group and Visiting Nurse Association of Southeastern Connecticut), and each of their subsidiary entities.

This policy is applicable except where it is expressly superseded by collective bargaining unit agreements.

POLICY

Any intellectual property developed by a YNHHS or affiliated employee in the course of his/her employment or utilizing YNHHS resources (equipment, software licenses, staff, existing intellectual property, know-how, etc.) is the property of YNHHS. This document establishes the framework under which YNHHS will share its ownership of certain intellectual property with employees who significantly contribute to its development.

PROCEDURES

A. Innovation Grant Awards (applicable to YNHHS or affiliated employees only)

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1. Type 1: Innovation Grant Award (Special Innovation Cash Award) (up to and \$25,000 per innovation idea)
 - a. Awarded by the Center of Health Care Innovation - Innovation Executive Council (IEC) for projects/solutions of value to YNHHS, but where it is difficult to quantify any intellectual property (IP) of commercial value or the IP is already owned by another party.
 - b. Typically provided as an innovation idea incentive to employee(s) and their respective departments when the employee's time and expertise is required on an Innovation project.
 - c. Milestone-based bonus payments paid to selected employee(s) for the execution of operational responsibilities required to implement solutions selected by the IEC (or delegated subcommittee) will be outlined in the innovation specific funding memo.
 - d. If innovation idea is submitted by a team of innovators, the grant award will be split amongst team.
 - e. Vice Presidents and above are not eligible.
2. Type 2: Innovation Grant Award for Joint Ownership between YNHHS and Innovator(s) of Patented Intellectual Property - Patent
 - a. Awarded for projects/solutions submitted to the Center of Health Care Innovation by employee(s) and selected by the IEC for development.
 - b. YNHHS commits to fund the project with a budget established within the project submission.
 - c. Inventor status on patentable IP will be determined on the merits on a case by case basis and/or shared via agreement.
 - d. The YNHHS Legal & Risk Services Department will provide employee(s) an applicable Joint Intellectual Property agreement specific to their innovation.
 - f. YNHHS shares margin generated from selling the commercialized IP (after recovering development/grant expenses) with employee(s) through an incentive plan mechanism, whereby targets are defined and incentive payments are made based on the margin generated by the IP and the targets established by the incentive program, all of which will be outlined in the innovation specific funding memo. Prerequisites include: (i) patent achieved; (ii) licensed; (iii) revenue received; and (iv) investment/costs recovered.
 - e. Special exceptions may be made in the discretion of the IEC if the IP is not patented, but is commercialized (e.g., Quality Variation Indicators (QVI)), to permit similar incentives based on revenue/sales of the IP.

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For employees, award is subject to all applicable taxes at the supplemental rate and will be included in w-2 earnings (via Innovation Pay Code). For non-employee, if applicable, award is taxable and will be reported on Form 1099-Misc.

B. Additional Considerations

- a. Regarding affiliated providers, Legal & Risk Services Department will develop an Innovation Joint Development Agreement specific to their innovation, and in compliance with Stark & Anti-Kickback Statute (AKS), to be used with independent physicians and innovators who are not employed by YNHHS.
 - i. YNHHS may, at its sole discretion, enter into an Innovation Joint Development Agreement with an employee upon termination of employment with the Health System.
- b. YNHHS will track inventory, assessment, & apportionment of pre-existing projects and potential IP throughout the Health System.
- c. Faculty, researchers, and students of Yale Medicine are subject to Yale University's intellectual property policies, but may participate in innovation projects pursuant to a collaborative arrangement between the University and YNHHS.

REFERENCES

RELATED POLICIES

Conflict of Interest (YNHHS Human Resources policy)