



CONTRACT GUARDIAN

Intuitive Contract Management Software

Stark Law

Stark Law Executive Summary

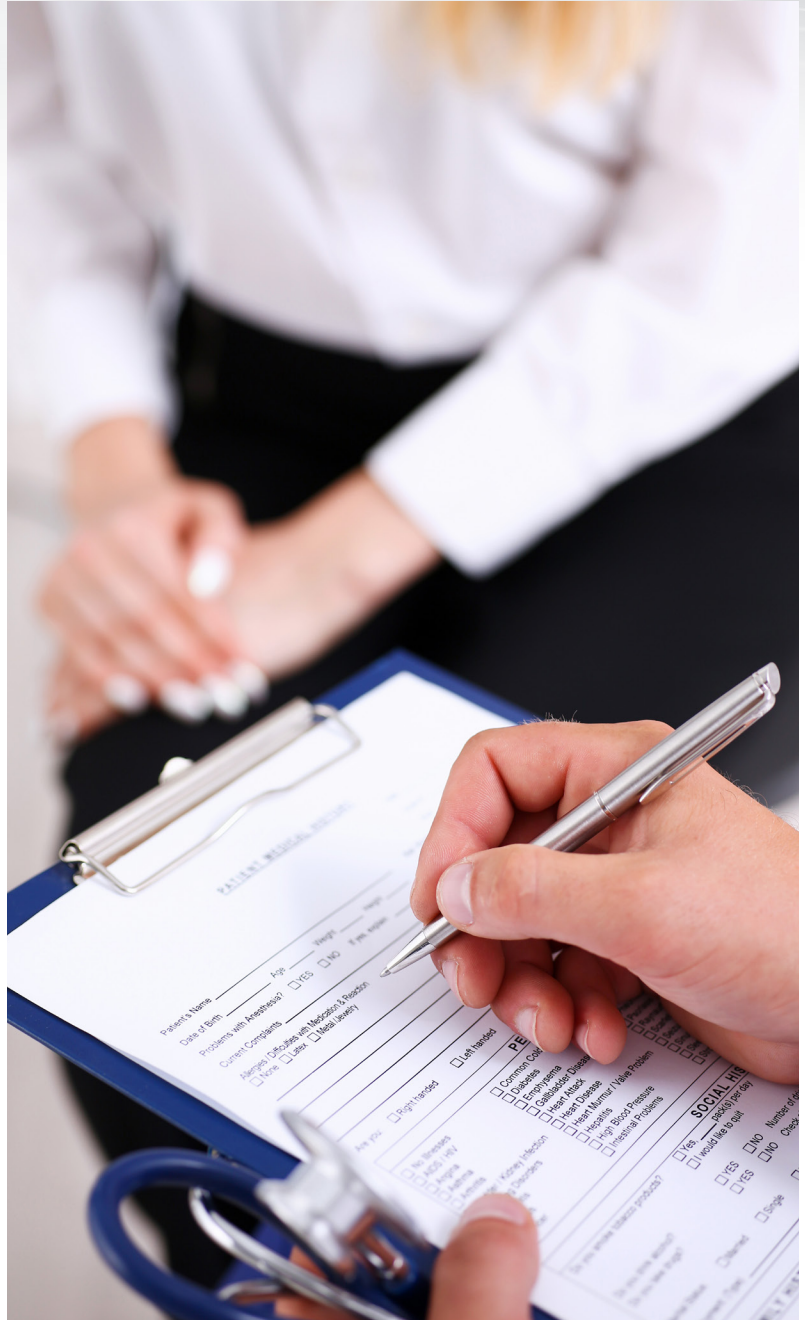
"If you haven't reviewed your physician contracts lately, it's high time you did. The Centers for Medicare and Medicaid Services (CMS) and the Office of the Inspector General (OIG) are enforcing Stark and federal anti-kickback laws with renewed vigor, and hospitals need to be wary of any and all agreements made with physicians past, present, and future."

- Thom Davidson, Vice President,
Contract Guardian

Financial Arrangement

Any financial arrangement between a hospital and a physician or a family member triggers Stark. It doesn't matter what the arrangement is with the physician or what the referral is because any financial agreement, whether it's new or old, will trigger a Stark question when that physician makes a referral.

What to look for when a healthcare provider is alleged to have violated the law, OIGs first priority is to protect the department's programs and their beneficiaries. OIG has several tools available for pursuing this goal, including program exclusion, civil monetary penalties, and integrity agreements. Organizations have been informed self-disclosure would result in favorable settlement terms. The message is clear: look for and settle Stark and anti-kickback violations on your own, or the government will.





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Common Violations

- The most common violations organizations are discovering and what executives should look for as they review for Stark compliance are:
- Expired healthcare contracts
- Financial relationships where no contract ever existed
- Parties modify the financial terms without putting the modification in writing
- Agreement incorrectly describes the service
- Hospital gives a gift or benefit to a doctor that exceeds Stark's \$322 minimum exception

Prompt self-disclosure can mean the difference between a three-year certification of compliance agreement or a strict five-year corporate integrity agreement, which comes with an independent review organization that regularly conducts or verifies audits or claims reviews. Review all physician contracts and agreements, past and present, and make the necessary corrections before moving forward. If you don't already have one in place, create a healthcare contract management program that allows you to review contracts on a regular basis. It is of utmost importance that contracts be kept up to date.



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