Title: Anti-Kickback and Stark Law Compliance Policy	Created Date: April 10, 2025
Reviewed/Approved By: Jennifer Cathy, CEO Mary LaDuca, COO and Compliancce Officer	Approval Date: April 16, 2025

Purpose

To ensure full compliance with both the federal Anti-Kickback Statute and the federal Stark Law, which prohibit improper financial relationships and referral practices related to services reimbursed by federal healthcare programs.

Policy Statement

Delphi Rise strictly prohibits any form of kickbacks, bribes, or improper financial relationships that could influence the referral of patients or the purchase of services reimbursable by Medicaid, Medicare, or other federally funded healthcare programs. The organization also prohibits self-referrals by physicians that violate the Stark Law.

Legal Background

The Anti-Kickback Statute (AKS) - 42 U.S.C. § 1320a–7b(b)

The Anti-Kickback Statue is a federal criminal law that prohibits:
- Offering, paying, soliciting, or receiving any remuneration (money, gifts, services, etc.)
- To induce or reward referrals or generate business
- Involving items or services reimbursable by a federal healthcare program

Violation can lead to:
- Civil and criminal penalties
- Fines
- Program exclusion
- Imprisonment

Stark Law (Physician Self-Referral Law) - 42 U.S.C. § 1395nn

The Stark Law is a civil statute that prohibits:
- Physicians from referring Medicare or Medicaid patients to entities with which they (or an immediate family member) have a financial relationship for Designated Health Services (DHS)—unless an exception applies

Designated Health Services include, but are not limited to:
- Clinical laboratory services
- Physical therapy
- Radiology
- Durable medical equipment
- Home health services
- Outpatient prescription drugs

Violation of Stark Law may result in:
- Denial of payment

- Civil monetary penalties
- Exclusion from federal healthcare programs

Examples of Prohibited Conduct
- Accepting or offering cash or gifts in exchange for patient referrals
- Waiving patient copays or deductibles as a marketing tool
- Paying physicians or staff "bonuses" based on the volume of federally reimbursed referrals
- Referring patients to a lab, pharmacy, or facility in exchange for payment or favors
- Contracting with vendors based on their referral potential rather than service quality or cost

Stark law Exceptions:
- A physician referring patients to a physical therapy clinic they own (without meeting an exception)
- Entering into a lease agreement with a physician without a written, fair-market-value contract
- Paying a physician for medical directorship services that are not clearly documented and legitimate

Exceptions (Safe Harbors & Stark Law Exceptions)
Anti-Kickback Safe Harbors: Certain arrangements are not considered violations if they meet "Safe Harbor" provisions, including:
- Compensation at fair market value for actual services rendered
- Properly documented discounts
- Personal service agreements that meet regulatory standards

Stark law Exceptions
Permitted relationships under Stark Law include:
- Bona fide employment relationships
- Fair-market-value leases for space or equipment
- Personal service arrangements that are commercially reasonable and in writing

All exceptions under either law must:
- Be reviewed by the Compliance Officer
- Be clearly documented and monitored for compliance

Reporting and Enforcement
- Be reviewed by the Compliance Officer
- Be clearly documented and monitored for compliance
- Verified violations may result in disciplinary action, up to termination, and required disclosure to federal or state authorities.

Training
- Annual compliance training will be provided on both the Anti-Kickback Statute and Stark Law.
- New employees will receive training during onboarding.
- Training will include:
  - Legal definitions

- o   Common risk scenarios
- o   How to identify and avoid prohibited arrangements

Policy Review

This policy will be reviewed annually and revised as needed to reflect updates in federal and state laws, regulations, and guidance.