



<b>Title:</b> Anti-Kickback and Stark Law Compliance Policy	
<b>Review date(s):</b> April 10, 2025; 11.14.2025, 12.11.2025	<b>Approved by:</b> Jennifer Cathy, President and CEO; Mary LaDuca, COO and Compliance Officer
<b>Revised date(s):</b> 11.14.2025	<b>Policy Owner:</b> Jennifer Cathy, President and CEO
<b>Approved Date:</b> 12.11.2026	<b>Original Effective Date:</b> April 16, 2025

### Purpose

To ensure full compliance with the federal Anti Kickback Statute (AKS) and the federal Stark Law (Physician Self Referral Law). These laws prohibit improper financial relationships and referral practices involving services reimbursed by federal healthcare programs. This policy protects Delphi Rise's licensure, funding, and integrity, and supports ethical, patient centered care.

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### Policy Statement

Delphi Rise prohibits any kickbacks, bribes, or improper financial relationships that could influence referrals, purchasing decisions, or the delivery of services reimbursable by Medicaid, Medicare, or other federally funded healthcare programs. The organization also prohibits physician self referrals that violate the Stark Law.

No employee, contractor, volunteer, or representative may enter into or maintain any arrangement that could be interpreted as offering or receiving remuneration in exchange for referrals or that fails to meet a Stark exception when required.

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### Scope

This policy applies to all affected individuals of Delphi Rise, including:

- Employees
- Senior administrators and managers
- Contractors, agents, subcontractors, and independent contractors
- Volunteers and interns
- Members of the governing body
- Corporate officers

Any individual whose role may influence, support, or participate in clinical, financial, billing, or referral related activities is expected to comply with this policy.

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### Legal Background

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

The AKS is a federal criminal law that prohibits:

- Offering, paying, soliciting, or receiving anything of value
- To induce or reward referrals or generate business
- For any item or service reimbursable by a federal healthcare program

#### Violations may result in:

- Civil and criminal penalties
- Fines
- Program exclusion
- Imprisonment

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#### II. Stark Law (Physician Self Referral Law) – 42 U.S.C. § 1395nn



The Stark Law is a federal civil statute that prohibits:

- Physicians from referring Medicare or Medicaid patients for Designated Health Services (DHS)
- To an entity with which they or an immediate family member have a financial relationship
- Unless a valid Stark exception applies

**Designated Health Services include:**

- Clinical laboratory services
- Physical therapy
- Radiology and imaging
- Durable medical equipment
- Home health services
- Outpatient prescription drugs

**Penalties for noncompliance include:**

- Denial of payment
- Civil monetary penalties
- Possible exclusion from federal healthcare programs

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**Requirements for All Financial Relationships**

All arrangements involving physicians, referral sources, or federally reimbursable services must:

- Be commercially reasonable
- Be at fair market value
- Be fully documented in a written agreement
- Clearly define duties, compensation, and terms
- Be reviewed and approved by the Compliance Officer before services begin
- Be monitored for ongoing compliance

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**Safe Harbors and Stark Law Exceptions**

**Anti Kickback Safe Harbors**

Certain arrangements are protected if they meet all Safe Harbor requirements, including:

- Fair market value compensation for actual services performed
- Documented and properly applied discounts
- Personal service agreements that meet regulatory criteria

**Stark Law Exceptions**

Permitted relationships under Stark include:

- Bona fide physician employment
- Fair market value leases for space or equipment
- Personal services arrangements that are commercially reasonable, in writing, and properly documented

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**Reporting and Enforcement**

- All arrangements involving physicians or referral sources must be reviewed by the Compliance Officer.
- Documentation must be kept current, complete, and accurate.
- Any suspected violation must be reported immediately to the Compliance Officer.
- Confirmed violations may result in disciplinary action, up to termination, and may require disclosure to federal or state authorities.

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**Training**



- Annual compliance training on the AKS and Stark Law is mandatory for all affected individuals.
- New hires will receive training during onboarding.
- Training will cover:
  - Legal definitions and requirements
  - Common risk scenarios
  - How to identify and avoid prohibited arrangements

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#### **Policy Review**

This policy will be reviewed annually and updated as needed to reflect changes in federal, state, or regulatory guidance.

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#### **Appendix A: Examples of Risk Scenarios**

*(Examples support understanding but do not replace regulatory requirements.)*

##### **Anti Kickback Risk Examples**

- Offering or receiving cash, gifts, or anything of value in exchange for referrals
- Waiving copays or deductibles to attract or retain patients
- Providing bonuses tied to the volume or value of federally reimbursed services
- Selecting vendors based on their referral potential rather than quality or cost

##### **Stark Law Violation Examples (When No Exception Applies)**

- A physician referring patients to a DHS provider in which the physician has an ownership interest without satisfying a Stark exception
  - Leasing space or equipment to or from a physician without a written, fair market value contract
  - Paying a physician for administrative or oversight duties without documentation of actual services performed