Physicians Relationships – 
Non-Obvious Remuneration Sources
Physician Contracting
Federal law fundamentals

- Physician Self-Referral Statue (Stark)
- Anti-kickback Statute
- False Claims Act
Physicians Relationships – Non-Obvious Remuneration Sources

Remuneration
- Recruitment assistance
  - Paying recruiting firm fees
  - Candidate travel expenses
  - Meals for practice members interviewing candidate
  - “Welcome” ads and press releases

Options
- Written agreement with practice
  - In place prior to providing assistance
Physicians Relationships – Non-Obvious Remuneration Sources

Remuneration
- CME
  - On-site vs. off-site
  - Provided by hospital or other CME provider
  - Travel and conference expenses
  - Arranging for specialists to provide CME in PCP offices

Options
- Some CME is not “remuneration”
  - On-site CME provided by hospital
  - Compliance training provided by hospital
- One time payment agreement for travel/conference expenses
  - In place prior to paying expenses
- Track as nonmonetary compensation
Physicians Relationships – Non-Obvious Remuneration Sources

Remuneration
• Training of physician office staff
• Consulting services
• Negotiating on behalf of physician/group with a vendor
• Administrative assistance
• Hospital staff member provides admin or clinical services at physician office

Options
• Physician/group pays hospital FMV for the services
  – Written services agreement
  – Staff lease
• Track as nonmonetary compensation
Physicians Relationships – Non-Obvious Remuneration Sources

**Remuneration**

- Sale or lease of equipment to physician/group
- Use of hospital-owned space by physician for clinical services
  - Billed as site of service office
- Administrative use of hospital-owned space by physician/group
  - Meetings or for practice’s business needs

**Options**

- Can be remuneration if equipment/space is provided for free or at less than FMV
- No “per click” rental of space/equipment
- Written agreement
- FMV analysis to support charges
- Leases go through physician contract review process
Physicians Relationships – Non-Obvious Remuneration Sources

Remuneration
• Medical staff leader meetings with meals
• Medical staff leader retreats with meals, travel, lodging, gifts, entertainment
• Spouse/guest meals, travel, lodging, gifts, entertainment

Options
• Written agreement for services covering the meal/expenses
  – In place prior to meeting/retreat
• Medical staff incidental benefits
  – Offered to all physicians in same specialty, on-site
• On-site, modest meal in connection with hospital admin meeting?
• Track gifts, spouse expenses as nonmonetary compensation
Physicians Relationships – Non-Obvious Remuneration Sources

Remuneration

- Payment for physician time to attend meetings, advisory boards

Options

- Written agreement for services
  - In place prior to date services are rendered
Physicians Relationships – Non-Obvious Remuneration Sources

Remuneration
• Payment for physician travel expenses to rural community to see patients in non-affiliated facility

Options
• Written agreement for services
  – In place prior to date services are rendered
• Payment is for travel expenses only, not physician time
Physicians Relationships – Non-Obvious Remuneration Sources

Remuneration

• Print or broadcast or social media advertising that promotes both hospital and non-employed physician
• Creating section of hospital website featuring certain physicians
• Articles in hospital publications featuring physician or including quotes from physician
• Physician referral phone lines

Options

• Fact-dependent analysis
• Charge physician FMV for marketing services
• Non-monetary compensation
• Medical staff incidental benefit
• Meet AKS safe harbor for referral services (disclosure of criteria for selection, rotation of names, among other requirements)
Physicians Relationships – Non-Obvious Remuneration Sources

Remuneration
• Surgical assistant services paid for by hospital

Options
• Remuneration? Provided to all physicians on staff for same set of procedures?
• Charge physicians FMV for service pursuant to written agreement
• Nonmonetary compensation
Physicians Relationships – Non-Obvious Remuneration Sources

Remuneration
• Hiring physician family member
• Purchasing items or services from physician family member

Options
• Written agreement
• FMV
Physicians Relationships – Non-Obvious Remuneration Sources

Remuneration
• Marketing services on behalf of physician practice
  – Arranging meetings for specialist physicians to meet PCPs and promote their practice

Options
• Physician pays FMV for the service
  – Written agreement
• Track as nonmonetary compensation
• Medical staff incidental benefit
  – Offered to all physicians in same specialty
Discussion/Questions