

Physician Self-Referral Law

The Physician Self-Referral Law, often called the Stark Law, prohibits a physician from making a referral for certain designated health services to an entity in which the physician (or member of his or her immediate family) has an ownership/investment interest or with which he or she has a compensation arrangement, unless an exception applies.

What Are the Civil Penalties?

- Penalties for physicians who violate the Stark Law include fines, repayment of claims, and potential exclusion from participation in all Federal health care programs

Stark Law Compliance Tips

- Meet a Stark Law exception
- Document financial relationships with referring physicians
- Have systems to ensure properly structured payments
- Watch out for “lease creep” problem
- Review productivity bonuses
- Gifts can implicate the Stark law too

Where to check the law

- <https://www.cms.gov/Medicare/Fraud-and-Abuse/PhysicianSelfReferral/> on the CMS website

Please note: The information in this handout applies only to federal programs