



Policy:

Arrangements

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Approved By: Compliance and
Audit Committee

Page: 1 of 2

POLICY

Select Medical shall maintain procedures designed to ensure that each existing and new or renewed Arrangements does not violate the Anti-Kickback Statute and/or Stark Law or the regulations, directives, and guidance related to these statutes.

GENERAL INFORMATION

1. Arrangements are defined as involves, directly or indirectly, the offer, payment, solicitation, or receipt of anything of value; and is between Select and any actual or potential source of health care business or referrals to Select or any actual or potential recipient of health care business or referrals from Select. The term "source of health care business or referrals" shall mean any individual or entity that refers, recommends, arranges for, orders, leases, or purchases any good, facility, item, or service for which payment may be made in whole or in part by a Federal health care program and the term "recipient of health care business or referrals" shall mean any individual or entity (1) to whom Select refers an individual for the furnishing or arranging for the furnishing of any item or service, or (2) from whom Select purchases, leases or orders or arranges for or recommends the purchasing, leasing, or ordering of any good, facility, item, or service for which payment may be made in whole or in part by a Federal health care program; or is between Select and a physician (or a physician's immediate family member (as defined at 42 C.F.R. § 411.351)) who makes a referral (as defined at 42 U.S.C. § 1395nn(h)(5)) to Select for designated health services (as defined at 42 U.S.C. § 1395nn(h)(6)).
2. Focus Arrangements are defined as every Arrangement for medical director, program director, on-call services, or other similar physician services that is between Select and any actual source of health care business or referrals to Select and involves, directly or indirectly, the offer, payment, or provision of anything of value; or is between Select and any physician (or a physician's immediate family member) (as defined at 42 C.F.R. §411.351)) who makes a referral (as defined at 42 U.S.c. §1395nn(h)(5)) to Select for designated health services (as defined at 42 U.S.c. § 1395nn(h))(6)).
3. References: U.S.C. § 1320a-7b(b) (Anti-Kickback Statute) and 42 U.S.C. § 1395nn (Stark Law), and the regulations and other guidance documents related to these statutes, and business or financial arrangements or contracts that generate unlawful Federal health care program business in violation of the Anti-Kickback Statute or the Stark Law

PROCEDURES

1. The Legal Department will maintain a centralized tracking system for all existing and new or renewed Focus Arrangements (Focus Arrangements Tracking System)
2. The Company will maintain a tracking system of remuneration to and from all parties to Focus Arrangements
3. Operations will be responsible for tracking service, activity logs, and time sheets to ensure that parties to the Focus Arrangement are performing the services required under the applicable Focus Arrangement(s) (if applicable)
4. Operations will be responsible for monitoring the use of leased space, medical supplies, medical devices, equipment, or other patient care items to ensure that such use is consistent with the terms of the applicable Focus Arrangement(s) (if applicable)
5. Operations will be responsible for notifying the Legal Department in advance of entering into or renewing a Focus Arrangement to allow the Legal Department to ensure that all new and existing or renewed Focus Arrangements do not violate the Anti-Kickback Statute and Stark Law. Legal review will include ensuring there is a specified business need or business rationale for the Focus Arrangements and that the remuneration terms of the arrangement are at fair market value.
6. The Compliance Officer will perform an internal review of Focus Arrangements Procedures on at least an annual basis and to provide a report on the results of such review to the Compliance Committee
7. The Compliance Officer working with the Compliance and Audit Committee will be responsible for implementing effective responses when suspected violations of the Anti-Kickback Statute and Stark Law are discovered, including disclosing Reportable Events and quantifying and repaying Overpayments pursuant to Sections III.I and III.J when appropriate.
8. The Legal Department will ensure that each Focus Arrangement is set forth in writing and signed by Select and the other parties to the Focus Arrangement; include in the written agreement a certification by the parties to the Focus Arrangement that the parties shall not violate the Anti- Kickback Statute and the Stark Law with respect to the performance of the Arrangement.