

**TITLE: Gifts, Gratuities and Non-Monetary Compensation to Medical Staff Members (Compliance with Federal Stark laws)  
Procedure – Refer also to PH&S System Policy**

**Revised**                      **Reviewed**  
1/2015 (\$\$ only)      5/09

*Approval – SHMC MEC – 2/13  
HFH MED – 4/13*

*Updated to new federal guideline 1/2017*

**Effective Date:** September 2008

**New Policy:** Yes

**Purpose:** To ensure adherence to Federal Stark Laws by limiting and tracking non-monetary compensation to Medical Staff members.

**Policy:**

Federal Stark Laws limit gifts to physicians and their immediate family members to a certain monetary aggregate yearly; this amount is adjusted for inflation on an annual basis (2017 amount is \$398). Medical Staff Services will maintain records of gifts, gratuities, and non-monetary compensation provided by each urban hospital to its credentialed physicians. This will include such items as:

1. Gifts such as those provided in honor of Doctor's Day.
2. Holiday gifts.
3. Flowers or gifts provided to physicians or immediate family members when hospitalized or to recognize a special event.
4. CME/meals associated with CME off site.
5. CME/meals associated with CME on campus if cost is more than \$32 per invited physician per occurrence.
6. Theater or concert tickets.
7. Off site social events.

In no instance may cash or cash equivalents be provided by SHMC.

Business related meals served on campus are exempted from this policy.

**Procedure:**

When such gifts or gratuities occur, the Medical Staff Office is to be notified of the physician/family member's name, date, item, and value. The Medical Staff Office will track these gifts on an annual basis.

**Clarifications:**

1. Stark laws allow one 'medical staff appreciation event' yearly for the entire medical staff which does not have to be tracked—this will be the annual Christmas Party.
2. Physician employees of each hospital are exempted from this policy.

3. Gifts and prize drawings which are funded from the Medical Staff Treasury are exempted from this policy.

**Please check with medical staff services (Sacred Heart Medical Center: 474-3052; Holy Family Hospital: 482-2200) before providing any non-monetary compensation to physicians to ensure that the limit per physician has not been exceeded.**

If the established monetary limit has been inadvertently exceeded, the Medical Staff Office Director will immediately notify the hospital's Compliance Officer.

**Rationale:** Federal Stark laws published by CMS specify an aggregate limit for gifts and nonmonetary compensation per physician and the physician's immediate family members. This policy outlines the obligation and responsibility for tracking non-monetary compensation to assure compliance. If Stark law is violated, both the hospital and the physician are subject to penalties including: denial of payment, refunds, civil monetary penalties, and exclusion from participation in Medicare or other government health programs.

*Reference: PH&S Executive Summary, Stark Non-Monetary Compensation and Medical Staff Incidental Benefits, August 2010 (Listed under Providence/Compliance and Integrity).*

*Note: Policy approved by each MEC and Urban Hospital Administration*