



Subject: CONTRACT REQUIREMENTS TO ENSURE NON-INDUCEMENT OF REFERRALS

Department: Administrative

Approved/Amended On: 04/26/2017

Approved By: EMSA Board of Trustees

Effective Date: 07/01/2017

This policy/procedure supersedes all other policies/procedures of the same subject.

Scope

For the purpose of this policy, when EMSA enters into an agreement to lease equipment or space, contract for professional services, contract with municipalities, or any other services which could be deemed to induce referrals for EMSA.

Purpose

When EMSA enters into an agreement to lease equipment or space or with certain individuals, entities or municipalities, such organizations may be in a position to refer or influence the referral of patients to EMSA, or if EMSA is in a position to refer or influence the referral of patients to them, such contracts must be structured to assure compliance with state and federal anti-kickback statutes.

All contracts/agreements must comply with the Policy requirements set forth in the EMSA's Contract Compliance Policy #A9, and if a health care facility, it must also be in compliance with #A12 Facility Contract Compliance Policy.

Policy

- A. All agreements must be executed by both parties.
- B. The agreement must specify the equipment or space to be leased or the service which will be provided.
- C. The payments made under such agreements shall be specified in advance, commensurate with the fair market value for the lease of the space or equipment or services provided, and shall not be based directly or indirectly on the value or volume of any referrals.
- D. The arrangements must not be intended even in part to induce the referral of business between the parties.

E. It must be determined as to whether the compensation included in the arrangement is consistent with the fair market value for the services being provided under the contract to memorialize the criteria used to make the fair market value determination.