

## **Pain Management Coding Alert**

## Reader Question: Keep Up With Stark Law, Prevent 'Self-Referral' Suspicions

**Question:** I overheard one of our nurse practitioners (NPs) say that someone at the practice might have violated the Stark Law. What is the Stark Law?

California Subscriber

**Answer:** The Stark Law is a set of three Medicare provisions that look to prevent physician self-referral, "or the practice of a physician referring a patient to a medical facility in which he has a financial interest, be it ownership, investment, or a structured compensation arrangement," according to starklaw.org.

According to the Centers for Medicare & Medicaid Services (CMS), the Stark Law specifically:

- 1. Prohibits a physician from referring his patients to designated health services (DHS) payable by Medicare to an entity with which the physician (or an immediate family member) has a financial relationship, unless there are exceptions.
- 2. Prohibits the practice from "presenting or causing to be presented claims to Medicare (or billing another individual, entity, or third party payer) for those referred services," CMS states.
- 3. Establishes very specific exceptions and "grants the Secretary the authority to create regulatory exceptions for financial relationships that do not pose a risk of program or patient abuse," according to CMS.

CMS lists the following items or services as DHS, and thus subject to the Stark Law:

- 4. Clinical laboratory services
- 5. Physical therapy services
- 6. Occupational therapy services
- 7. Outpatient speech-language pathology services
- 8. Radiology and certain other imaging services
- 9. Radiation therapy services and supplies
- 10. Durable medical equipment and supplies
- 11. Parenteral and enteral nutrients, equipment, and supplies
- 12. Prosthetics, orthotics, and prosthetic devices and supplies
- 13. Home health services
- 14. Outpatient prescription drugs
- 15. Inpatient and outpatient hospital services.

Learn more: For a complete rundown on Stark law guidelines, see: http://starklaw.org/stark\_guidelines.htm.