

Policy and Procedure: Corporate Compliance

Topic: Business Courtesies for Referrals

Purpose:

OCO Inc. recognizes that there are legitimate and lawful reasons to accept or provide reasonable business courtesies. However, in human services, business courtesies pose a risk for conflict of interest or fraud and/or abuse related to anti-kickback laws and regulations. The Anti-Kickback law prohibits the offer of payment, solicitation or receipt of remuneration for the referral of Medicare or Medicaid recipients.

The purpose of this policy is to assure that OCO complies with federal Anti-Kickback laws. The policy provides guidance for providing business courtesies.

For the purpose of this policy, the following definitions apply:

- Business Courtesies: Business courtesies include items of value given to another free of cost. Examples include gifts, entertainment, food or trips.
- Immediate Family Member: An immediate family member of a person includes:
 - The person's spouse;
 - Natural or adoptive parent, child or sibling;
 - Stepparent, stepchild, stepbrother or stepsister;
 - Father-in-law, mother-in-law; son-in-law; daughter-in-law; brother-in-law; or sister-in-law;
 - Grandparent or grandchild; and
 - Spouse of a grandparent or grandchild.
- Potential Referral Source: A potential referral source includes a physician, dentist or chiropractor or other professionals who could reasonably be a source of referral of patients to OCO for services or treatment.

Policy:

1. It is the policy of OCO that gifts, entertainment, and other benefits will not be provided to potential referral sources and/or to his or her immediate family, except as permitted by this policy.
2. These guidelines only pertain to relationships with individuals and entities outside OCO, it does not pertain to actions between the OCO and its employees nor actions among OCO employees.

BOD Approval: 10/02/2007

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Policy Council Approval: pending

Amended: N/A

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3. Any business courtesies involving physicians or other individuals or entities in a position to refer patients or services to the OCO must strictly follow OCO policies and be in conformance with all federal and state laws, regulations, and rules regarding these practices.

Procedures:

1. OCO employees may not offer a potential referral source and his or her immediate family members business courtesies unless the following criteria are met:
 - The business courtesy is not based, directly or indirectly, on the volume or value of referrals or other business generated by the potential referral source;
 - The business courtesy does not consist of cash or the equivalent of cash;
 - The business courtesy is not solicited by the potential referral source or the referral source's practice or employees;
 - The business courtesy must not exceed \$322 in value or cause the total value of business courtesies extended to the potential referral source or immediate family to exceed \$322 for the calendar year;
 - The business courtesy does not violate the federal Anti-Kickback statute or any state or federal law governing claims submission; and
 - The business courtesy is not extended to a physician group.
2. All employees must receive prior approval from the Executive Director before extending business courtesies to potential referral sources and/or their immediate family members. The Director of Finance will record any business courtesy extended to a potential referral source or his/her immediate family members to ensure that the aggregate value of business courtesies does not exceed \$322 in a calendar year.

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