

In-Office Ancillary Services Exception

This exception is particularly valuable to office-based physicians because it allows medical practices to provide laboratory services and other DHS without violating the self-referral prohibition if the arrangement satisfies all of the elements of the exception.

Elements of the Exception	Check if Applicable to the Arrangement
The practice meets the Stark definition of a group practice?	
Services furnished personally by one of the following: <ul style="list-style-type: none"> • By the referring physician (“RP”) • By a physician member of the same group practice as the RP • By individuals who are supervised by the RP or a physician member of the group practice 	
Services provided in one of the following locations: <ul style="list-style-type: none"> • In the same building in which the RP or the group practice has an office that is normally open to their patients at least 35 hours a week in which the RP or the group practice regularly practices medicine and furnishes physician services to patients at least 30 hours per week. Some of the 30 hours of service must be unrelated to designated health services (“DHS”) even though the services may lead to the ordering of DHS • In the same building in which the patient receiving the test normally receives physician services from the RP or another group member, and in which the RP or the group practice owns or rents an office that is normally open to their patients for medical services at least 8 hours per week, and the RP regularly practices medicine and furnishes physician services to patients at least 6 hours per week. The 6 hours must include some physician services that are unrelated to the furnishing of DHS • In the same building in which the RP or the group practice owns or rents an office that is normally open to their patients for medical services at least 8 hours a week, and the RP is present and orders the test during a patient visit on the premises or the RP or a member of the group practice is present while the DHS is furnished. The RP or at least one member of the group practice must regularly practice medicine and furnish physician services to patients at least 6 hours a week. The 6 hours must include some physician services that are unrelated to the furnishing of DHS • In a centralized building that is used by the group practice for the provision of some or all of the group practice’s clinical laboratory services • In a centralized building that is used by the group practice for the provision of some or all of the group practice’s DHS (other than clinical laboratory services) 	
Services billed by one of the following: <ul style="list-style-type: none"> • The physician performing, or the physician supervising, the provision of the services • The group practice of which the performing or supervising physician is a member, under a billing number assigned to the group practice • The group practice if the supervising physician is a physician in the group practice under a billing number assigned to the group practice • An entity that is wholly owned by the performing or supervising physician or by the physician’s group practice under the entity’s own billing number or under a billing number assigned to the physician or group practice • An independent third-party billing company acting as an agent of the RP or group practice, or entity under a billing number assigned to the RP, group practice, or entity provided the billing arrangement is Medicare compliant 	
For certain diagnostic imaging services, referring physicians must inform the patient in writing at the time of referral that the services may be obtained from a provider other than the provider referred to, and must provide the patient with a written list of other providers in the area.	