

Personal Services Arrangement (*General*) Exception

The exception allows a physician to refer a patient to an entity with which he/she (or his/her immediate family member) has a personal services arrangement if the arrangement satisfies all the elements of the exception.

Elements of the Exception	Check if Applicable to the Agreement
The arrangement is set out in writing, specifies the services covered by the arrangement, and is signed by both parties to the arrangement	
The term of the arrangement is for at least one (1) year	
The arrangement covers all of the services to be provided by the physician (or an immediate family member of such physician) to the entity. All separate arrangements between the entity and the physician and the entity and any immediate family members must incorporate each other by reference or be cross-referenced on a master list of contracts that is maintained and centrally updated	
The aggregate services contracted for do not exceed those that are reasonable and necessary for the legitimate business purposes of the arrangement	
The compensation to be paid over the term of the arrangement is set in advance, does not exceed fair market value, and except in the case of a physician incentive plan, is not determined in a manner that takes into account the volume and value of any referrals or other business generated by the parties	
The services to be performed under the arrangement do not involve the counseling or promotion or a business arrangement or other activity that violates any federal or state law	
The arrangement meets any other special requirements that may be imposed by the Secretary of the Department of Health and Human Services	