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**Sponsor:** Brian Kozik: SVP, COMPLIANCE & PRIVACY  
**Section:** GA-Corporate Compliance  
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## GA-004-013 Medical Director/ Program Director Arrangements

### I. Purpose

The purpose of this policy is to ensure, through the implementation of internal controls, that:

- a. Medical Director/Program Director Arrangements are undertaken only when Broward Health has a legitimate business need for a Physician to provide the type and quantity of Services contemplated to promote quality, cost-effective care, or to fulfill other legitimate needs of Broward Health.
- b. Executed Medical Director/Program Director Arrangements are commercially reasonable and consistent with Fair Market Value for the Services furnished.
- c. All Services furnished pursuant to a Medical Director/Program Director Arrangements are adequately and contemporaneously documented by the Physician pursuant to the ServiceNow Medical Directorship Log Reporting and Review Process.
- d. Executed Medical Director/Program Director Arrangements comply with applicable laws and regulations, including the federal and state Anti-Kickback laws, the federal Stark law, and Florida's self-referral laws; and
- e. Under no circumstance will a Medical Director/Program Director Arrangements involve Broward Health paying compensation to a Physician, directly or indirectly, with the intent to induce the Physician to refer patients to, or otherwise generate business, for any Broward Health entity.

### II. Key Terms

**Activity Log:** The Activity Log contained in ServiceNow and incorporated by reference into the Arrangement or other means of documenting services as set forth in this Policy and reflected in the Services Agreement.

**Compensation:** Any payment or other benefit made directly or indirectly, overtly or covertly, in cash or in kind

**Fair Market Value:** The value in arm's length transactions, consistent with the general market value. "General Market Value" means the price that an asset would bring, or the compensation that would be included in a service agreement, as the result of a bona fide bargaining between well-informed parties to

the agreement who are not otherwise in a position to generate business for the other party at the time of the service agreement.

**Immediate Family Member:** A husband or wife; birth 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.

**Medical Director:** A Physician performing Medical Director Services as an independent contractor pursuant to a Personal Services or employment agreement.

**Medical Director/Program Director Arrangement:** Per this policy, is specific to an arrangement in which Broward Health provides Compensation to a Physician for the performance of medico-administrative services furnished to Broward Health by the Physician, for which the Physician is required to document his or her activities via an Activity Log. For example, a medical directorship agreement for the Sleep Lab Unit, program director agreements, Chiefs of Staff agreements, etc.

**Medical Directorship Services or Services:** Medico-administrative services furnished by a Physician to Broward Health, consistent with this policy that require timesheet approval, e.g. Chief of Staff, Program

**Physician:** A duly licensed and authorized doctor of medicine or osteopathy, doctor of dental surgery or dental medicine, doctor of podiatric medicine, doctor of optometry, or chiropractor.

**Program Director:** A Physician performing Program Director services for the Graduate Medical Education ("GME") program as an independent contractor pursuant to a Program Director agreement.

### III. Policy

Broward Health may not enter into a Medical Director/Program Director Arrangement with a Physician unless Broward Health has objectively determined a legitimate business need for the Services contemplated by the Personal Services Arrangement as set forth in this Policy.

### IV. Procedures

1. All Medical Director/Program Director Arrangements with Physicians and must follow the procedures outlined in *Physician and Non-Physician Financial Arrangement Review, Approval, Tracking, and Monitoring Requirements, Policy No. GA-004-441*, and *Review, Approval, and Administration of Contracts, Policy No. GA-001-020* requirements, prior to execution of the Medical Director/Program Director Arrangement.
2. All Medical Director/Program Director Arrangements with Physicians will be tracked pursuant to the *ServiceNow Medical Directorship Log Reporting and Review Process Standard Operating Procedure GA-004-441-005*.
3. The Medical Director/Program Director Arrangement shall not be conditioned on the Physician:
  - a. Making referrals to Broward Health;
  - b. Being in a position to make or influence referrals to any Broward Health facility; or
  - c. Otherwise generating business for any Broward Health facility, provided, however, that the

Medical Director/Program Director Arrangements may require that the Physician obtain and maintain active staff privileges at a Broward Health facility if appropriate for the services.

4. The Compensation paid by Broward Health to the Physician under the Medical Director/Program Director Arrangements shall not vary (or be adjusted or renegotiated) in any manner based on the volume or value of any actual or expected referrals to, or business otherwise generated for, any Broward Health facility by the Physician.
5. The Medical Director/Program Director Arrangements shall require that no Compensation be paid by Broward Health to a Physician for any given payment period unless the Physician furnishes adequate, contemporaneous documentation pursuant to the *Tracking and Monitoring Activities Policy, Policy No. GA-004-443, ServiceNow Medical Directorship Log Reporting and Review Process Standard Operating Procedure GA-004-441-005*, and in accordance with the specified Medical Director/Program Director Arrangement.
6. The only time that a Physician spends on his or her designated duties under a Medical Director/Program Director Arrangements shall be reimbursable, and all other time, including, but not limited to, clinical time, time related to the Physician's private practice, and time the Physician is also on-call, shall not be reimbursable.
7. A Physician's failure to sign, date, and submit the documentation required by this Policy and/or the *ServiceNow Medical Directorship Log Reporting and Review Process Standard Operating Procedure GA-004-441-005* pursuant to the terms of the specific agreement shall result in a forfeiture of Compensation due for the particular month or pay period at issue.
8. For Medical Director/Program Director Arrangements where the Compensation is fixed and based on an hourly rate times a projected amount of hours, if, in any given month or pay period, a Physician provides fewer hours of Personal Services than the projected number of hours, then the Physician shall be compensated at the hourly rate for each hour of services actually provided as set forth in the Medical Director/Program Director Arrangement.

#### V. Related Policies and Compliance Documents

- GA-004-441 – Physician and Non-Physician Financial Arrangement Review, Approval, Tracking and Monitoring
- GA-001-020 – Review, Approval, and Administration of Contracts
- GA-004-443 Tracking and Monitoring Activities Policy
- GA-004-441-005 – ServiceNow Medical Directorship Log Reporting and Review Process Standard Operating Procedure

#### VI. References

N/A

## Attachments

[GA-004-441-005 ServiceNow Medical Directorship Log Reporting and Review Process Standard Operating](#)

## Approval Signatures

Step Description	Approver	Date
Final Approver	Brian Kozik: SVP, COMPLIANCE & PRIVACY	05/2020
	Jennifer Mosley: EXEC SECRETARY/ANALYST	05/2020