

**AMERICAN ASSOCIATION FOR HOMECARE  
CODE OF BUSINESS ETHICS  
FREQUENTLY ASKED QUESTIONS**

**A. Preamble: Goal and Scope**

**1) Why did AAHomecare revise its Code of Business Ethics?**

AAHomecare and Members are committed to promoting compliance with applicable rules that pertain to the safe, clinically appropriate, and financially responsible management of patients in their homes. As an association, AAHomecare believes that Members should engage in conduct that builds trust with patients, referral sources, and payers. Publishing and promoting adherence to the Code is an important factor in building and maintaining public trust in Members' services.

**2) Does the Code in any way alter Members' obligation to comply with the antitrust laws and regulations?**

No. AAHomecare and its members remain subject to and shall adhere to all applicable federal and state antitrust laws and regulations. The Code is intended to promote Members' compliance with applicable federal laws and regulations that prohibit offering or soliciting unlawful inducements of business funded by federal health care programs or physician self referrals. Members also are responsible for ascertaining whether state laws or regulations contain similar prohibitions. Nothing in the Code should be interpreted as a recommendation or suggestion that it is permissible for a group of competitors to limit, fix prices, allocate territories or customers, engage in bid rigging, or engage in a refusal to deal. Individual Members are advised to consult their legal counsel to determine how competition laws apply to their own business operations.

**3) Who is subject to the AAHomecare Code of Business Ethics?**

The Code of Business Ethics is an aspirational guide to ethical conduct by all AAHomecare Members.

**4) Does the Code govern the actions of Members' agents and distributors?**

Members are encouraged to communicate the Code's principles to their employees, agents, providers, subcontractors and distributors with the ambition that broad compliance with the Code's ethical standards will advance our profession. It is important that these entities be informed of the Code and the importance of complying with ethical business practices reflected its provisions.

**5) Why does the Code distinguish among Members' interactions with patients, payers, referral sources, and vendors?**

AAHomecare Members furnish medical equipment services and supplies to patients in their homes and have a professional responsibility to deliver care that meets applicable standards, rules and regulations. As part of the continuum of care, Members interact with health care providers and other referral sources in the delivery of patient care. Interactions with referral sources and patients should be free of the bias that results from unlawful inducements. Interactions with vendors likewise should be free of unlawful inducements. Finally, Members have a responsibility to comply with applicable laws and regulations that pertain to claims submission and billing for the items and services they furnish. AAHomecare believes that promoting compliance with each section of the Code is necessary to meeting its goal of building and maintaining public trust.

**6) Does the Code offer legal advice?**

No. The Code is intended to facilitate ethical behavior, and is not intended to be, nor should it be, construed as legal advice. All Members have an independent obligation to ascertain that their interactions with referral sources comply with all current laws and regulations. The information provided by the Department of Health and Human Services, Office of Inspector General ("OIG"), as well as applicable laws or regulations, may provide more specificity than this Code, and Members should address any additional questions to their own attorneys.

**7) Will AAHomecare staff provide advice on how specific provisions of the Code would apply to specific practices that a Member is contemplating?**

This FAQ is designed to provide information regarding the Code. Members should address any questions about specific practices to their own attorneys or advisors, rather than to AAHomecare staff.

**B. Interactions with Patients (Section I of Code)**

**1) Is it consistent with the Code for a Member to offer patients gifts or free services to encourage them to receive other services from the Member?**

Generally, offering or giving gifts to patients with an expectation that they will agree to receive or continue receiving other services from a Member may constitute an unlawful inducement if the patient's care is paid by a federally funded health care program. Gifts of modest value that do not exceed \$10.00 for any one item or service are acceptable for purposes of consistency with the Code's ethical guidelines. The cumulative value of all items given in any one-year period to any one patient does not exceed \$50. For example, it would be acceptable for Members to give branded promotional items to patients, such as key chains, water bottles, pens and the like, as long as the \$10 per item and \$50 cumulative value is not exceeded in any one-year period. The value limits apply to services such as health screenings, clinical questionnaires to screen for certain conditions, or blood pressure checks.

**2) Is it consistent with the Code for a Member to offer or give patients items or services for free or less than fair market value if the items or services benefit the patient's care?**

The Code encourages members to respect a patient's right to make independent health care decisions free from the influence of unlawful inducements. For purposes of consistency with the Code a Member may occasionally offer or give free or discounted items or services reasonably connected to an individual's medical care after a Member has made a good faith determination that the individual is in financial need. The item or service should not be offered as part of a promotion or solicitation and should not be tied to the provision of other services reimbursed in whole or in part by a federal or state health care program. Members should consult their attorneys if they have questions in this area.

**C. Interaction with Payers (Section II of Code)**

**1) Does the Code require Members to adopt compliance programs within their organization?**

The ethical guidelines under the Code are intended to promote public trust in members' products and services by demonstrating Members' professional commitment to compliance and ethical business practices. Members are encouraged to adopt internal policies and procedures to assist them in maintaining and promoting this commitment within their organizations and among their employees and business partners.

**D. Interactions with Referral Sources (Section III of Code)**

**1) Who are “referral sources” under the Code?**

“Referral sources” are individuals and entities that may prescribe, purchase, recommend, use, arrange for the use, purchase or rental of Members’ products and services. The term applies to both clinical and non-clinical personnel. In other words, a referral source can be a physician, nurse practitioner, another clinician, a provider or supplier, as well as clinic or physician office staff, discharge planners or hospital administrators. Note that this is not an exhaustive list and Members should consult their legal counsel to determine compliance with applicable regulations in a specific circumstance.

**2) Is providing support services to assist referral sources in understanding Members’ products and services consistent with the Code?**

It is consistent with the Code for Members to provide information and training on the use of Members’ products to referral sources. It is also consistent with the Code for Members to also provide information about coverage and payment for Members’ products and services as well as third-party payer documentation and billing requirements and to collaborate with referral sources, their organizations and patient organizations in advocacy activities to achieve appropriate coverage and reimbursement for homecare products and services or to raise public awareness of the need for and benefits of homecare products and services. It is inconsistent with the Code’s guidelines for a Member to assume a function or activity that a referral source would otherwise be required to perform. For example, Members may not provide support staff to assist a hospital in performing its discharge planning functions because that would offset an overhead cost that the hospital would otherwise incur. Likewise, Members may not relieve a referral source such as physicians from the responsibility of completing CMNs or other documentation that payers require them to complete.

**3) Is the furnishing of meals or sponsoring door prizes, raffles and other such favors or amenities at holiday or retirement parties sponsored by a referral source consistent with the Code?**

No. Such support would be inconsistent with the Code.

**4) Is conducting product training or promotional meetings at a resort location or paying for a referral expenses to attend such a meeting consistent with the Code?**

To maintain consistency with the Code, the setting for training or promotional meetings should not compete with or detract from the business purpose of the

meeting, and any meals furnished in connection with the meeting should be inexpensive by local standards. Meeting with referral sources at a resort location, or paying for a referral source's expenses to attend such a meeting is in conflict with any legitimate business purpose of the meeting.

**5) Is a Member extending business courtesies to the guests or spouses of a referral source in connection with product training or promotional meetings consistent with the Code?**

To maintain consistency with the Code, meals and hospitality should be inexpensive and secondary to the business purpose of the meeting. It is inconsistent with the Code's guidelines to extend these courtesies to individuals who have no business or professional reason to attend the meeting.

**6) Is it consistent with the Code for a Member to allow its employee or agent to pay for meals for a referral source that a Member could not provide under the Code as long as the Member pays for meals and does not reimburse the employee or agent?**

Compliance with the Code's ethical guidelines includes a responsibility to make Members' employees and agents aware of the Code and their need to comply with its provisions. It would be inconsistent with the Code's guidelines for Members to permit sales staff or agents to perform activities that the Member is precluded from performing under the Code.

**7) For purposes of the Code, how can Members determine whether meals they furnish to referral sources are "modest" and "occasional" as these terms are used in the Code?**

Under the Code's guidelines, meals and other business courtesies should not compete with or detract from a legitimate documented purpose for a meeting. As used in the Code, "modest" means inexpensive and "occasional" means rare. Members are encouraged to have policies that set limits on the frequency and amount of spending on hospitality provided to referral sources. Members should consult their legal counsel to ascertain the applicability of federal or state self-referral or conflict of interest laws and regulations to meals and hospitality offered to referral sources.

**8) Is it consistent with the Code for a member to give a referral source a gift of an item that the Member acquires at a significant discount?**

Whether a gift would constitute an unlawful inducement is determined by its retail fair market value. Consequently, Members should consider the fair market value of the gift in determining whether a gift to a referral source is within the meaning of the Code.

**9) Is providing an educational grant to support a third-party educational conference consistent with the Code?**

Such support may be consistent with the Code's ethical guidelines when grants are made to the conference sponsor who, in turn, selects the attendees. It is inconsistent with the Code for a Member to designate grant funds for use by specific referral sources. It is likewise inconsistent with the Code for Members to pay the registration fees or fees associated with continuing education (CE) credits of individual referral sources or other health care professionals.

**10) What are some examples of branded promotional items of modest value that are referred to in the Code?**

Educational materials that may assist patients in understanding their condition, a course of treatment or the benefits of compliance with their therapeutic regimen would be useful to the referral source's practice and benefit patients. Golf balls and tee shirts would not be consistent with the Code's ethical guidelines, as they are neither related to the referral source's work nor benefit patients.

**11) Is providing small gift such as flowers or a fruit basket to a referral source or to a referral source's family upon significant life events such as a birth, death, or serious illness consistent with the Code?**

Inasmuch as the Code restricts certain types of gifts to referral sources, it is up to each Member to consult with counsel to determine whether significant life event gifts to a referral source, or to a referral source's family, are consistent with the spirit of the Code and any applicable federal or state self referral or conflict of interests law or regulations.