

Stark Law Settlements Doubled Last Year

[Richard P. Kusserow](#) | May 2025

The Centers for Medicare & Medicaid Services (CMS) [reported](#) a record-breaking 314 Stark Law settlements under the [self-referral disclosure protocol](#) (SRDP) in 2024, totaling over \$24.7 million. This amount is nearly double the previous year's \$12.5 million and is almost as much as the total settlements from the last ten years. The settlements ranged from \$60,000-120,000 with an average of about \$80,000. The Stark Law, also known as the Physician Self-Referral Law, is a federal statute that prohibits physicians from referring patients to certain entities with which they have a financial relationship, specifically for designated health services paid by Medicare. The law's purpose is to protect patients from potential self-interest when a provider makes referrals. It carries strict liability consequences, which means proof of intent to violate the law is not required, and violations are enforced administratively. The Stark Law is one of the five most important Federal fraud and abuse laws that apply to physicians, along with the False Claims Act (FCA), Anti-Kickback Statute (AKS), OIG Exclusion Authorities, and Civil Monetary Penalties Law (CMPL). There are five basic elements necessary to implicate Stark Law: (1) a physician must make (2) a referral for the furnishing of (3) designated health services payable by Medicare (4) to an entity (5) with which he/she (or an immediate family member) has a financial relationship. There are also exceptions under the law, including personally performed physician services, in-office ancillary services, pre-paid health plan services, and academic medical center services. Unlike other laws that are investigated and enforced by the OIG and DOJ, the Stark Law is administrative under enforcement authority of CMS. The [SRDP is a voluntary process](#) that allows healthcare providers and suppliers to self-report actual or potential violations in order to resolve overpayment liability and to address violations. The process requires a description of the potential causes of the violation and the intention to resolve overpayment liability.

Interested in learning more about how Stark Law settlements might impact your organization? Contact Richard Kusserow at rkusserow@strategicm.com to discuss your compliance program with an expert.



About the Author

Richard P. Kusserow established Strategic Management Services, LLC, after retiring from being the DHHS Inspector General, and has assisted over 2,000 health care organizations and entities in developing, implementing and assessing compliance programs.