

## ARS PHYSICIANS

The Accounting department will review and process ARS physician business expenses for reimbursement within 14 days of receipt and verification of appropriateness. **All reimbursement is subject to validity based on the IRS guidelines.**

### *Dues & Memberships*

Professional memberships may be submitted for reimbursement, outside of the corporate paid dues to ACR/AOCR Associations, International Society for Clinical Densitometry (ISCD), Michigan State Medical Society (MSMS), State of Michigan medical licenses and annual hospital staff privileges. The business expense will be recorded as a pre-tax business expense only after the board-approved annual allotment (currently \$1,500) has been used in full.

Examples of professional organizations acceptable for reimbursement:

- American Medical Association (AMA)
- American Osteopathic Association (AOA)
- American Roentgen Ray Society (ARRS)
- Radiological Society of North America (RSNA)
- Society of Breast Imaging

### *Continuing Medical Education (CME)*

For ARS Shareholder and Associate Physicians, the approved CME expense will be recorded as pre-tax business expense.

DEXA and B-Read training is paid for by the corporation and is not considered a CME expense.

Mandatory training required to maintain licensure, such as implicit bias training, is paid for by the corporation and is not considered a CME expense.

For ARS Shareholder Track Physicians, the approved CME expense will be recorded as a pre-tax business expense only **after** the CME allowance provided for in the employment agreement has been used in full.

Examples of allowable CME business expense for ARS physicians include:

- Conference Registration Fees
- Airfare
- Hotel charges (including 1 day before the conference begins and 1 day after the conference ends, if necessary to accommodate travel needs)
- Transfers to/from airport, including taxi, shuttle, Uber, etc.
- Travel – rental car, parking fees, and mileage (at the IRS established rate) if physician drives to the airport or to the conference destination
- Meals – meals can be reimbursed either with actual receipts or by requesting a per diem allowance be used. Physician must state one method on the expense reimbursement form. If nothing is specified, the IRS allowable per diem rate will be used.

**Important:** If physician elects to be reimbursed from actual receipts, an itemized receipt must be submitted with the names of the attendees and the business purpose.

- Tips – a reasonable tip amount will be allowed for hotel, taxi/shuttle/Uber, and meals.
- CME subscriptions and materials which provide the physician with education credits.

Examples of *disallowed* CME expenses:

- Non-employee expenses (spouse, significant other, children)
- Movies purchased during hotel stay
- Poolside expenses
- Excursion fees
- Golf outing fees
- Extended length of stay; 2 or more days before/after conference is scheduled to begin or end
- Non-business related meals or bar tabs
- Luxury car rentals

### ***CME involving a Cruise or All-Inclusive Resort***

If you elect to participate in a CME conference that involves taking a cruise, please be advised that the following criteria **MUST** be met for the trip to be considered an IRS allowable business expense:

- The conference is directly related to your trade or business
- The cruise ship is a vessel registered in the United States
- All of the cruise ship's ports of call are in the United States or in possessions of the United States
- You submit a written statement signed by you that includes the total days of the trip (not including the days of transportation to and from the cruise ship port), the number of hours each day you devoted to scheduled business activities and a program of the scheduled business activities of the meeting
- You must also submit a written statement signed by an officer of the organization or group sponsoring the meeting that includes a schedule of the business activities of each day of the meeting and the number of hours you attended the scheduled business activities

**The IRS limits reimbursement to \$2,000**

**CME at All-Inclusive Resorts are no longer allowed.**

Examples of other *allowable* business expenses:

- Medical texts
- Medical journal subscriptions
- Meals, if business related – i.e., taking someone out to discuss ARS business
- Scrubs and lab coats, including embroidery
- Lead apron/glasses for interventional radiology needs
- Home office purchases used for legitimate business purposes – Common examples are office desks, office chairs, monitor arms/mounts, keyboard/mouse, headsets, and foot pedals for dictation.

***Computers***

In the last IRS payroll audit computers purchased by individual physicians were disallowed as business expenses and are no longer eligible for reimbursement. This is an IRS guideline and ARS must comply with the direction given as a result of the audit findings.

***Expense Reimbursements after Resignation Notice***

As a standard practice, ARS does not allow pre-tax reimbursement for expenses that relate to a timeframe in which a physician is no longer a part of ARS. To substantiate a reimbursement being a business expense to the IRS, we need to demonstrate a legitimate business purpose which is challenging to prove if the physician has left the practice during the term of the expense.