

HOUSE BILL 421

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1998 Regular Session
8r1787
CF 8r1212

By: **Delegates Goldwater and Kopp**
Introduced and read first time: February 2, 1998
Assigned to: Environmental Matters

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 6, 1998

CHAPTER _____

1 AN ACT concerning

2 **Kidney End Stage Renal Disease Program - Outpatient Facilities - Patient**
3 **Referrals**

4 FOR the purpose of authorizing certain health care practitioners to refer ~~Kidney~~
5 ~~Disease Program recipients~~ patients diagnosed with end stage renal disease to
6 certain outpatient dialysis facilities, notwithstanding the practitioners' interest
7 in or arrangements with the facilities; and generally relating to an exemption
8 from the prohibition on certain patient referrals by health care practitioners.

9 BY repealing and reenacting, with amendments,
10 Article - Health Occupations
11 Section 1-302(d)
12 Annotated Code of Maryland
13 (1994 Replacement Volume and 1997 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
15 MARYLAND, That the Laws of Maryland read as follows:

16 **Article - Health Occupations**

17 1-302.

18 (d) The provisions of this section do not apply to:

19 (1) A health care practitioner when treating a member of a health
20 maintenance organization as defined in § 19-701 of the Health - General Article if
21 the health care practitioner does not have a beneficial interest in the health care
22 entity;

1 (2) A health care practitioner who refers a patient to another health care
2 practitioner in the same group practice as the referring health care practitioner;

3 (3) A health care practitioner with a beneficial interest in a health care
4 entity who refers a patient to that health care entity for health care services or tests,
5 if the services or tests are personally performed by or under the direct supervision of
6 the referring health care practitioner;

7 (4) A health care practitioner who refers in-office ancillary services or
8 tests that are:

9 (i) Personally furnished by:

10 1. The referring health care practitioner;

11 2. A health care practitioner in the same group practice as
12 the referring health care practitioner; or

13 3. An individual who is employed and personally supervised
14 by the qualified referring health care practitioner or a health care practitioner in the
15 same group practice as the referring health care practitioner;

16 (ii) Provided in the same building where the referring health care
17 practitioner or a health care practitioner in the same group practice as the referring
18 health care practitioner furnishes services; and

19 (iii) Billed by:

20 1. The health care practitioner performing or supervising the
21 services; or

22 2. A group practice of which the health care practitioner
23 performing or supervising the services is a member;

24 (5) A health care practitioner who has a beneficial interest in a health
25 care entity if, in accordance with regulations adopted by the Secretary:

26 (i) The Secretary determines that the health care practitioner's
27 beneficial interest is essential to finance and to provide the health care entity; and

28 (ii) The Secretary, in conjunction with the Health Resources
29 Planning Commission, determines that the health care entity is needed to ensure
30 appropriate access for the community to the services provided at the health care
31 entity;

32 (6) A health care practitioner employed or affiliated with a hospital, who
33 refers a patient to a health care entity that is owned or controlled by a hospital or
34 under common ownership or control with a hospital if the health care practitioner
35 does not have a direct beneficial interest in the health care entity;

1 (7) A health care practitioner or member of a single specialty group
2 practice, including any person employed or affiliated with a hospital, who has a
3 beneficial interest in a health care entity that is owned or controlled by a hospital or
4 under common ownership or control with a hospital if:

5 (i) The health care practitioner or other member of that single
6 specialty group practice provides the health care services to a patient pursuant to a
7 referral or in accordance with a consultation requested by another health care
8 practitioner who does not have a beneficial interest in the health care entity; or

9 (ii) The health care practitioner or other member of that single
10 specialty group practice referring a patient to the facility, service, or entity personally
11 performs or supervises the health care service or procedure; [or]

12 (8) A health care practitioner with a beneficial interest in, or
13 compensation arrangement with, a hospital or related institution as defined in §
14 19-301 of the Health - General Article or a facility, service, or other entity that is
15 owned or controlled by a hospital or related institution or under common ownership or
16 control with a hospital or related institution if:

17 (i) The beneficial interest was held or the compensation
18 arrangement was in existence on January 1, 1993; and

19 (ii) Thereafter the beneficial interest or compensation arrangement
20 of the health care practitioner does not increase; OR

21 (9) ~~A HEALTH CARE PRACTITIONER WHO, WHEN TREATING A KIDNEY~~
22 ~~DISEASE PROGRAM RECIPIENT AS DEFINED IN § 13-301 OF THE HEALTH - GENERAL~~
23 ~~ARTICLE, REFERS THE RECIPIENT TO AN OUTPATIENT DIALYSIS FACILITY,~~
24 ~~REGARDLESS OF THE PRACTITIONER'S INTEREST IN OR ARRANGEMENTS WITH THE~~
25 ~~FACILITY REFERS A PATIENT TO A DIALYSIS FACILITY, IF THE PATIENT HAS BEEN~~
26 ~~DIAGNOSED WITH END STAGE RENAL DISEASE AS DEFINED IN THE MEDICARE~~
27 ~~REGULATIONS PURSUANT TO THE SOCIAL SECURITY ACT.~~

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
29 October 1, 1998.