

SENATE BILL 442

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1998 Regular Session
8r1212
CF 8r1787

By: **Senator Hollinger**

Introduced and read first time: February 6, 1998

Assigned to: Economic and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 **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 who qualify under the federal End Stage Renal
6 Disease Program to certain outpatient dialysis facilities, notwithstanding the
7 practitioners' interest in or arrangements with the facilities; and generally
8 relating to an exemption from the prohibition on certain patient referrals by
9 health care practitioners.

10 BY repealing and reenacting, with amendments,
11 Article - Health Occupations
12 Section 1-302(d)
13 Annotated Code of Maryland
14 (1994 Replacement Volume and 1997 Supplement)

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

17 **Article - Health Occupations**

18 1-302.

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

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

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

26 (3) A health care practitioner with a beneficial interest in a health care
27 entity who refers a patient to that health care entity for health care services or tests,

1 if the services or tests are personally performed by or under the direct supervision of
2 the referring health care practitioner;

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

5 (i) Personally furnished by:

6 1. The referring health care practitioner;

7 2. A health care practitioner in the same group practice as
8 the referring health care practitioner; or

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

12 (ii) Provided in the same building where the referring health care
13 practitioner or a health care practitioner in the same group practice as the referring
14 health care practitioner furnishes services; and

15 (iii) Billed by:

16 1. The health care practitioner performing or supervising the
17 services; or

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

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

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

24 (ii) The Secretary, in conjunction with the Health Resources
25 Planning Commission, determines that the health care entity is needed to ensure
26 appropriate access for the community to the services provided at the health care
27 entity;

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

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

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

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

8 (8) A health care practitioner with a beneficial interest in, or
9 compensation arrangement with, a hospital or related institution as defined in §
10 19-301 of the Health - General Article or a facility, service, or other entity that is
11 owned or controlled by a hospital or related institution or under common ownership or
12 control with a hospital or related institution if:

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

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

17 (9) A HEALTH CARE PRACTITIONER WHO REFERS A PATIENT TO A
18 DIALYSIS FACILITY, IF THE PATIENT HAS BEEN DIAGNOSED WITH END STAGE RENAL
19 DISEASE AS DEFINED IN THE MEDICARE REGULATIONS PURSUANT TO THE SOCIAL
20 SECURITY ACT.

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