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FISCAL IMPACT REPORT

SPONSOR Jennings DATE TYPED 2-25-05 HB _____

SHORT TITLE Health Care Provider Financial Disclosure SB 791

ANALYST Collard

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
			NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Human Services Department (HSD)
 Aging and Long-Term Services Department (ALTSD)
 Health Policy Commission (HPC)

SUMMARY

Synopsis of Bill

Senate Bill 791 requires any health care provider who refers or seeks consultation from an entity in which the health care provider has a financial interest to disclose the interest to the patient or the minor patient's parents or guardians. The bill requires the provider to provide a list of alternative facilities if reasonably available. The bill requires written disclosure of financial interests a provider has in an entity that the provider is referring the patient to. The provider is to inform the patient that the patient has the option to use an alternative facility if reasonably available and the bill requires that the provider will not treat the patient differently if the patient chooses the alternative facility. Health care provider is defined and financial interest is defined in the bill.

Significant Issues

HSD notes, on the federal level, Section 1877 of the Social Security Act, there is a specific prohibition against referrals to businesses that the health care provider has an interest in, as that type of referral becomes a self-referral. The federal restriction is specific and prohibits such acts, and this proposal is general, requiring only that notice be given of the potential self-referral, and pro-

viding alternative referrals. There does not appear to be any conflict between the federal law and this act.

FISCAL IMPLICATIONS

There is no appropriation associated with this bill, and there is likely no impact to the state.

KBC/yr