Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Appropriations Committee

HB 2310

Brief Description: Prohibiting certain physician referrals.

Sponsors: Representatives Sommers, Cody and Kenney.

Brief Summary of Bill

• Prohibits physicians or osteopathic physicians from referring patients for radiology services at certain health care facilities where the physician or osteopathic physician has a financial interest.

Hearing Date: 3/31/05

Staff: Chris Blake (786-7392).

Background:

State law prohibits physicians from self-referring Medicaid patients to facilities for specified health services if the physician or their family member has a financial relationship with the facility. Among the specified health services are radiology services, including magnetic resonance imaging, computerized axial tomography, and ultrasound services. Federal law has similar restrictions for certain referrals under the Medicare program.

Summary of Bill:

The existing restrictions on certain physician self-referral practices are expanded to apply to other types of health insurance plans. Physicians and osteopathic physicians are prohibited from referring a patient for radiology services at a radiologist group practice or an office of one or more radiologists where the physician or osteopathic physician has a financial interest. Radiology services are defined to include magnetic resonance imaging services, computed axial tomography services, and positron emission tomography services. Health care service contractors and health plans are not responsible for payments for radiology services provided pursuant to a prohibited referral. A violation of the referral prohibition constitutes unprofessional conduct by the health care provider.

Appropriation: None.

Fiscal Note: Requested on March 30, 2005.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.