

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

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| Action: | Do Pass as Amended and Be Printed Engrossed |
| Vote: | 8 - 0 - 1 |
| Yeas: | Doherty, Johnson, Keny-Guyer, Lively, Richardson, Thatcher, Vega Pederson, Holvey |
| Nays: | 0 |
| Exc.: | Smith |
| Prepared By: | Bob Estabrook, Administrator |
| Meeting Dates: | 5/16, 5/30 |

WHAT THE MEASURE DOES: Requires health practitioner to make patient referrals based on patient's clinical needs and personal health choices. Requires that patient be informed orally and in writing of practitioner's financial interest in a facility to which patient is referred. Requires notice, according to rules established by Oregon Health Authority, to patient of right to receive test, treatment or service at alternate facility. Prohibits practitioner from denying, limiting or withdrawing referral solely because patient chooses alternate facility. Prohibits Oregon Health Licensing Agency from imposing additional restrictions or limitations on referrals covered by measure. Exempts referrals for patients in hospital or emergency department, referrals beyond the initial referral to a facility and referrals made by the facility or provider to whom patient was referred. Authorizes disciplinary action by Oregon Health Licensing Agency or appropriate health professional regulatory board in addition to civil penalty of not more than \$1,000 per violation.

ISSUES DISCUSSED:

- Current patient referral practices by practitioners as well as insurers
- Impact of transition to coordinated care organizations on small practitioners
- Effect of proposed committee amendments
- Scope of exceptions to disclosure requirement

EFFECT OF COMMITTEE AMENDMENT: Replaces the measure.

BACKGROUND: Currently, health care practitioners with a financial interest in a facility must disclose that interest to patients orally and in writing prior to referring a patient to that facility for treatment. A financial interest is defined as five percent or greater ownership interest in the entity to which the patient is being referred.

Senate Bill 683 B requires practitioners to only consider a patient's clinical needs and personal choices when referring a patient to a facility for treatment. The measure requires disclosure of a practitioner's financial interest at the time of referral and prohibits the denial, limitation or withdrawal of a referral because of the patient's choice to utilize an alternate facility, except in certain circumstances. The measure also directs the Oregon Health Authority to specify the form and manner of provider notice by rule and authorizes the Oregon Health Licensing Agency or appropriate board to investigate and discipline violations of the measure.