

HOUSE AMENDMENT NO. _____
TO
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Offered By

1 AMEND House Amendment No. _____ to House Committee Substitute for Senate Substitute for
2 Senate Committee Substitute for Senate Bill No. 843, Page 6, Line 9, by inserting immediately after
3 said line the following:

4 "Further amend said bill, Page 46, Section 332.086, Line 37, by inserting immediately after
5 said line the following:

6 "334.253. 1. A physician may not make a referral to an entity for the furnishing of any
7 physical therapy services with whom the physician, physician's employer, or immediate family
8 member of such referring physician has a financial relationship. A financial relationship exists if
9 the referring physician, the referring physician's employer, or immediate family member:

10 (1) Has a direct or indirect ownership or investment interest in the entity whether through
11 equity, debt, or other means; or

12 (2) Receives remuneration from a compensation arrangement from the entity for the
13 referral.

14 2. The following financial arrangements shall be exempt from disciplinary action under this
15 section:

16 (1) When the entity with whom the referring physician has an ownership or investment
17 interest is the sole provider of the physical therapy service within a rural area;

18 (2) When the referring physician owns registered securities issued by a publicly held
19 corporation or publicly traded limited partnership, the shares of which are traded on a national
20 exchange or the over-the-counter market, provided that such referring physician's interest in the
21 publicly held corporation or publicly traded limited partnership is less than five percent and the
22 referring physician does not receive any compensation from such publicly held corporation or
23 publicly traded limited partnership other than as any other owner of the shares of such publicly held
24 corporation or publicly traded limited partnership;

25 (3) When the referring physician has an interest in real property resulting in a landlord-
26 tenant relationship between the physician and the entity in which the equity interest is held, unless
27 the rent is determined, in whole or in part, by the business volume or profitability of the tenant or is
28 otherwise unrelated to fair market value;

29 (4) When the indirect ownership in the entity is by means of a bona fide debt incurred in the
30 purchase or acquisition of the entity for a price which does not in any manner reflect the potential
31 source of referrals from the physician with the indirect interest in the entity and the terms of the
32 debt are fair market value, and neither the amount or the terms of the debt in any manner, directly or
33 indirectly, constitutes a form of compensating such physician for the source of his business;

Action Taken _____ Date _____

1 (5) When such physician's employer is a health maintenance organization as defined in
2 subdivision (6) of section 376.960 and such health maintenance organization owns or controls other
3 organizations which furnish physical therapy services so long as the referral is to such owned or
4 controlled organization and the physician does not also have a direct or indirect ownership or
5 investment interest in such organization, physical therapy services or the health maintenance
6 organization and the referring physician does not receive any remuneration as the result of the
7 referral;

8 (6) When such physician's employer is a hospital defined in section 197.020 and such
9 hospital owns or controls other organizations which furnish physical therapy services so long as the
10 referral is to such owned or controlled organization and the physician does not also have a direct or
11 indirect ownership or investment interest in such organization, physical therapy service, or the
12 hospital and the referring physician does not receive any remuneration as the result of the referral;

13 (7) When such physician has direct or indirect minority ownership or investment interest of
14 not more than five percent in a hospital, as defined in section 197.020, whether through equity, debt,
15 or other means and physical therapy is offered as a service of the hospital.

16 3. The provisions of sections 334.252 and 334.253 shall become effective January 1, 1995.";
17 and"; and

18
19 Further amend said bill by amending the title, enacting clause, and intersectional references
20 accordingly.

21
22 THIS AMENDMENT AMENDS 5541H06.31H.