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A BILL to amend and reenact § 54.1-2413 of the Code of Virginia, relating to practitioner self-referral.

Patron—O'Bannon

Referred to Committee on Health, Welfare and Institutions

**HOUSE BILL NO. 143** 

Offered January 13, 2010 Prefiled January 5, 2010

Be it enacted by the General Assembly of Virginia:

## 1. That § 54.1-2413 of the Code of Virginia is amended and reenacted as follows:

§ 54.1-2413. Additional conditions related to practitioner-investors.

A. No hospital licensed in the Commonwealth shall discriminate against or otherwise penalize any practitioner for compliance with the provisions of this chapter.

B. No practitioner, other health care worker, or entity shall enter into any agreement, arrangement, or scheme intended to evade the provisions of this chapter by inducing patient referrals in a manner which would be prohibited by this chapter if the practitioner made the referrals directly.

C. No group practice shall be formed for the purpose of facilitating referrals that would otherwise be prohibited by this chapter.

D. Notwithstanding the provisions of this chapter, a practitioner may refer a patient who is a member of a health maintenance organization to an entity in which the practitioner is an investor if the referral is made pursuant to a contract with the health maintenance organization.

E. Notwithstanding the provisions of this chapter, a referral to an entity within which the referring practitioner or his immediate family member has an arrangement that would qualify for an exception under federal practitioner self-referral law, 42 U.S.C. § 1395nn, as amended, or any regulations adopted pursuant thereto, permitting a practitioner or an immediate family member of a practitioner to maintain an ownership or investment interest in an entity that provides designated health services, shall not be in violation of this chapter, regardless of the type of health service provided or the source of payment for such service is an investor shall not be in violation of this chapter if (i) the health service to be provided is a designated health service as defined in 42 U.S.C. § 1395nn(h)(6), as amended, and an exception authorized by 42 U.S.C. § 1395nn, as amended, or any regulations adopted pursuant thereto, applies, or (ii) the health service to be provided is not a designated health service as defined in 42 U.S.C. § 1395nn(h)(6), as amended, but would qualify for an exception authorized by 42 U.S.C. § 1395nn, as amended, or any regulations adopted pursuant thereto, if the health service were a designated health service.