

THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 773

Session of  
1985

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INTRODUCED BY STEIGHNER, LAUGHLIN AND BURNS, APRIL 9, 1985

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REFERRED TO COMMITTEE ON HEALTH AND WELFARE, APRIL 9, 1985

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AN ACT

1 Requiring physicians to make certain financial disclosures to  
2 their patients; and imposing penalties for violations.

3 The General Assembly of the Commonwealth of Pennsylvania  
4 hereby enacts as follows:

5 Section 1. Short title.

6 This act shall be known and may be cited as the Physician's  
7 Financial Disclosure Act.

8 Section 2. Definitions.

9 The following words and phrases when used in this act shall  
10 have the meanings given to them in this section unless the  
11 context clearly indicates otherwise:

12 "Immediate family." The spouse and children of the  
13 physician, the parents of the physician and physician's spouse,  
14 and the spouses of the children of the physician.

15 "Physician." An individual licensed under the laws of this  
16 Commonwealth to engage in the practice of medicine and surgery  
17 in all of its branches within the scope of the act of July 20,

1 1974 (P.L.551, No.190), known as the Medical Practice Act of  
2 1974, or in the practice of osteopathy or osteopathic surgery  
3 within the scope of the act of October 5, 1978 (P.L.1109,  
4 No.261), known as the Osteopathic Medical Practice Act.

5 "Significant beneficial interest." Any financial interest  
6 that is equal to or greater than the lesser of 5% of the whole  
7 or \$25,000.

8 Section 3. Disclosure required.

9 (a) General rule.--It is unlawful for any physician to  
10 charge, bill or otherwise solicit payment from a patient on  
11 behalf of, or refer a patient to, an organization in which the  
12 physician, or the physician's immediate family, has a  
13 significant beneficial interest, unless the physician first  
14 discloses, in writing, to the patient that there is such an  
15 interest and advises the patient regarding other alternative  
16 services, if available.

17 (b) Single disclosure.--Where referrals, billings or other  
18 solicitations are between physicians who conduct their practice  
19 as members of the same professional corporation or partnership,  
20 and the services are rendered on the same physical premises or  
21 under the same professional corporation or partnership name, a  
22 single disclosure statement disclosing that interest and  
23 advising the patient of alternative services shall be deemed  
24 compliance with subsection (a).

25 Section 4. Penalty.

26 A physician who violates the provisions of this act shall be  
27 subject to a civil penalty of at least \$5,000, in favor of the  
28 Commonwealth, and all penalties so imposed and collected are  
29 hereby appropriated to the Department of Aging on a continuing  
30 basis. Actions to enforce the provisions of this act shall be

- 1 commenced by the Office of Attorney General.
- 2 Section 5. Effective date.
- 3 This act shall take effect in 60 days.