

STATE OF NEW YORK

4718

2017-2018 Regular Sessions

IN ASSEMBLY

February 3, 2017

Introduced by M. of A. ROSENTHAL -- read once and referred to the Committee on Health

AN ACT to amend the public health law, in relation to prohibiting payment for patient referrals in substance use disorder services

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. The public health law is amended by adding a new section
2 238-f to read as follows:

3 § 238-f. Prohibition of financial arrangements and referrals;
4 substance use disorder services. 1. Definitions. The following defi-
5 nitions shall apply for the purposes of this section:

6 (a) "Substance use disorder services" shall mean and include examina-
7 tion, evaluation, diagnosis, care, treatment, rehabilitation, or train-
8 ing of persons with substance use disorders and their families or
9 significant others by a health care provider.

10 (b) "Addiction treatment providers" shall mean and include rehabili-
11 tation centers, medical examination facilities, or such other facilities
12 that engage in substance use disorder services including any employees
13 or individuals under another authorized form of association with such
14 providers.

15 2. It shall be unlawful for any addiction treatment provider or family
16 member thereof to offer, pay, solicit, or receive any fee, thing of
17 value, commission, bonus, rebate, kickback, or bribe, directly or indi-
18 rectly, in cash or in kind, or engage in any split-fee arrangement, in
19 any form whatsoever, to induce or in return for the referral of patients
20 or patronage to or from addiction treatment providers.

21 3. This section shall not apply to payment for goods or facilities
22 that were actually furnished or services that were actually performed.
23 Such payment must be reasonably related to the fair market value of the
24 goods or facilities that were actually furnished or services that were
25 actually performed.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

LBD01930-01-7

1 4. This section shall not apply to any discount, payment, waiver of
2 payment, or payment practice not prohibited by 42 U.S.C. § 1320a-7b (b)
3 or regulations promulgated thereunder.

4 5. Violation of subdivision two of this section shall constitute a
5 class E felony.

6 § 2. This act shall take effect immediately.