

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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SENATE BILL 949

Short Title: Medical Ethics Practice Act.

(Public)

Sponsors: Senator Ezzell.

Referred to: Human Resources.

April 19, 1989

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE REMEDIES FOR CERTAIN REFERRAL PRACTICES BY
3 HEALTH CARE PROVIDERS LICENSED UNDER CHAPTER 90 AND
4 CHAPTER 131E OF THE GENERAL STATUTES.

5 The General Assembly of North Carolina enacts:

6 Section 1. Chapter 90 of the General Statutes is amended by adding a new
7 Article to read:

8 **"ARTICLE 25.**

9 **"MEDICAL ETHICS PRACTICE ACT.**

10 **"§ 90-350. Notice to patient of certain referrals.**

11 (a) A health care provider licensed under any provision of this Chapter who
12 makes a referral to another health care provider licensed under any provision of this
13 Chapter or licensed under any provision of Chapter 131E or who makes a referral to any
14 other health care provider, for which there is to be for the health care provider making
15 the referral:

16 (1) Remuneration of any type, including the beneficial ownership of any
17 financial interest;

18 (2) Referral fee; or

19 (3) Fee generating opportunity.

20 must disclose this to the person being referred.

21 (b) The disclosure required by subsection (a) of this section must be in writing,
22 on a separate form containing no other information, and must be given to the person
23 being referred at the time the referral is made.

1 (c) A health care provider licensed under any provision of this Chapter or
2 licensed under any provision of Chapter 131E or any other health care provider who
3 receives a referral from another health care provider licensed under any provision of this
4 Chapter, for which there is to be for the health care provider making the referral:

5 (1) Remuneration of any type, including the beneficial ownership of any
6 financial interest;

7 (2) Referral fee; or

8 (3) Fee generating opportunity.

9 must disclose this to the person being referred.

10 (d) The disclosure required by subsection (c) of this section must be in writing,
11 on a separate form containing no other information, and must be given to the person
12 being referred at the time the provider first provides services under the referral.

13 (e) A violation of this section shall be an unethical practice, for which a health
14 care provider licensed under this Chapter or Chapter 131E may be disciplined by
15 revocation or suspension of such license, or lesser penalty in the discretion of the
16 licensing authority.

17 (f) In the case of any violation of this section, the person receiving services shall
18 not be obligated to pay for such services, nor shall any third party-party payor be liable.

19 (g) This section does not authorize any practice which is prohibited by law or by
20 any rules or regulations adopted under this Chapter or Chapter 131E concerning the
21 conduct of a licensee."

22 Sec. 2. This act shall become effective October 1, 1989.