



# HOUSE BILL No. 4179

January 17, 1995, Introduced by Rep. Emerson and referred to the Committee on Health Policy.

A bill to amend Act No. 368 of the Public Acts of 1978, entitled as amended "Public health code," as amended, being sections 333.1101 to 333.25211 of the Michigan Compiled Laws, by adding sections 17016 and 17516.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1 Section 1. Act No. 368 of the Public Acts of 1978, as  
2 amended, being sections 333.1101 to 333.25211 of the Michigan  
3 Compiled Laws, is amended by adding sections 17016 and 17516 to  
4 read as follows:

5 SEC. 17016. (1) A PHYSICIAN WHO OWNS A FINANCIAL INTEREST  
6 IN 1 OR MORE OF THE FOLLOWING SHALL DISCLOSE THE FINANCIAL INTER-  
7 EST IN WRITING ON A FORM PROVIDED BY THE DEPARTMENT TO EACH  
8 HEALTH INSURER OR HEALTH CARE PAYMENT OR BENEFITS PLAN FROM WHICH

1 THE PHYSICIAN RECEIVES REIMBURSEMENT FOR PROFESSIONAL SERVICES  
2 RENDERED:

3 (A) A CLINICAL LABORATORY LICENSED UNDER ARTICLE 17.

4 (B) A LABORATORY DESCRIBED IN SECTION 20507.

5 (C) A FACILITY THAT PROVIDES ONLY X-RAY OR OTHER RADIOLOGI-  
6 CAL SERVICES.

7 (2) A PHYSICIAN WHO OWNS A FINANCIAL INTEREST AS DESCRIBED  
8 IN SUBSECTION (1) ON OR BEFORE THE EFFECTIVE DATE OF THIS SECTION  
9 SHALL DISCLOSE THE FINANCIAL INTEREST UNDER SUBSECTION (1) WITHIN  
10 90 DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION. A PHYSICIAN  
11 WHO ACQUIRES A FINANCIAL INTEREST AS DESCRIBED IN SUBSECTION (1)  
12 AFTER THE EFFECTIVE DATE OF THIS SECTION SHALL DISCLOSE THE  
13 FINANCIAL INTEREST UNDER SUBSECTION (1) WITHIN 90 DAYS AFTER  
14 ACQUIRING THE FINANCIAL INTEREST. IF A PHYSICIAN WHO OWNS A  
15 FINANCIAL INTEREST AS DESCRIBED IN SUBSECTION (1) DIVESTS HIMSELF  
16 OR HERSELF OF THAT FINANCIAL INTEREST, THE PHYSICIAN SHALL DIS-  
17 CLOSE THE DIVESTMENT IN THE SAME MANNER AS REQUIRED UNDER SUBSEC-  
18 TION (1) FOR THE DISCLOSURE OF THAT FINANCIAL INTEREST WITHIN 90  
19 DAYS AFTER THE DIVESTMENT.

20 (3) THE DEPARTMENT SHALL DEVELOP THE FINANCIAL INTEREST DIS-  
21 CLOSURE FORM REQUIRED UNDER SUBSECTION (1) WITHIN 30 DAYS AFTER  
22 THE EFFECTIVE DATE OF THIS SECTION. THE DEPARTMENT SHALL DIS-  
23 TRIBUTE THE FORM FREE OF CHARGE TO PHYSICIANS UPON REQUEST.

24 (4) AS USED IN THIS SECTION, "FINANCIAL INTEREST" MEANS A  
25 DIRECT OR INDIRECT OWNERSHIP OR BENEFICIAL INTEREST.

26 SEC. 17516. (1) A PHYSICIAN WHO OWNS A FINANCIAL INTEREST  
27 IN 1 OR MORE OF THE FOLLOWING SHALL DISCLOSE THE FINANCIAL

1 INTEREST IN WRITING ON A FORM PROVIDED BY THE DEPARTMENT TO EACH  
2 HEALTH INSURER OR HEALTH CARE PAYMENT OR BENEFITS PLAN FROM WHICH  
3 THE PHYSICIAN RECEIVES REIMBURSEMENT FOR PROFESSIONAL SERVICES  
4 RENDERED:

5 (A) A CLINICAL LABORATORY LICENSED UNDER ARTICLE 17.

6 (B) A LABORATORY DESCRIBED IN SECTION 20507.

7 (C) A FACILITY THAT PROVIDES ONLY X-RAY OR OTHER RADIOLOGI-  
8 CAL SERVICES.

9 (2) A PHYSICIAN WHO OWNS A FINANCIAL INTEREST AS DESCRIBED  
10 IN SUBSECTION (1) ON OR BEFORE THE EFFECTIVE DATE OF THIS SECTION  
11 SHALL DISCLOSE THE FINANCIAL INTEREST UNDER SUBSECTION (1) WITHIN  
12 90 DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION. A PHYSICIAN  
13 WHO ACQUIRES A FINANCIAL INTEREST AS DESCRIBED IN SUBSECTION (1)  
14 AFTER THE EFFECTIVE DATE OF THIS SECTION SHALL DISCLOSE THE  
15 FINANCIAL INTEREST UNDER SUBSECTION (1) WITHIN 90 DAYS AFTER  
16 ACQUIRING THE FINANCIAL INTEREST. IF A PHYSICIAN WHO OWNS A  
17 FINANCIAL INTEREST AS DESCRIBED IN SUBSECTION (1) DIVESTS HIMSELF  
18 OR HERSELF OF THAT FINANCIAL INTEREST, THE PHYSICIAN SHALL DIS-  
19 CLOSE THE DIVESTMENT IN THE SAME MANNER AS REQUIRED UNDER SUBSEC-  
20 TION (1) FOR THE DISCLOSURE OF THAT FINANCIAL INTEREST WITHIN 90  
21 DAYS AFTER THE DIVESTMENT.

22 (3) THE DEPARTMENT SHALL DEVELOP THE FINANCIAL INTEREST DIS-  
23 CLOSURE FORM REQUIRED UNDER SUBSECTION (1) WITHIN 30 DAYS AFTER  
24 THE EFFECTIVE DATE OF THIS SECTION. THE DEPARTMENT SHALL DIS-  
25 TRIBUTE THE FORM FREE OF CHARGE TO PHYSICIANS UPON REQUEST.

26 (4) AS USED IN THIS SECTION, "FINANCIAL INTEREST" MEANS A  
27 DIRECT OR INDIRECT OWNERSHIP OR BENEFICIAL INTEREST.