

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6721

BILL NUMBER: HB 1306

NOTE PREPARED: Mar 29, 2005

BILL AMENDED: Mar 17, 2005

SUBJECT: Physician Referrals.

FIRST AUTHOR: Rep. Becker

FIRST SPONSOR: Sen. Server

BILL STATUS: As Passed Senate

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill requires a physician to provide certain information to an individual before referring the individual to a health care entity in which the physician has a financial interest. The bill provides an exception for emergency circumstances.

Effective Date: July 1, 2005.

Explanation of State Expenditures: Any fiscal impact of this provision would be dependent upon the number of complaints of noncompliance that would potentially be filed against practitioners.

Current statute provides for an investigation to be conducted by the Medical Licensing Section of the Office of the Attorney General. If there is sufficient evidence of noncompliance, charges would be filed before the Medical Licensing Board and a hearing would be held. The cost of this process to the state would be related to the expense associated with the investigation and the expense of any subsequent disciplinary proceeding that might follow.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Office of the Attorney General; Health Professions Bureau, Medical Licensing

Board.

Local Agencies Affected:

Information Sources: Barbara McNutt, Chief Counsel, Health Professions Bureau, (317) 234-1987; Jennifer Thuma, Legislative Counsel, Attorney General's Office, (317) 233-6143.

Fiscal Analyst: Kathy Norris, 317-234-1360.