

RESOLUTION 13-15

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3 Title: Disclosure of Financial Incentives for Patient Referrals
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5 Introduced by: Domenic R. Federico, MD, for the Kent County Delegation
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7 Original Author: Ryan Miyamoto, MD
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9 Referred to: Reaffirmation Calendar
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11 House Action: **REAFFIRMED**
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14 Whereas, the welfare of the patient should be the priority, and

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16 Whereas, a referring physician who stands to gain financially from the referral
17 to a particular consultant or specialist may not be in the best interest of the patient,
18 and

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20 Whereas, the federal Stark law and related regulations require disclosure of
21 physician ownership of certain durable medical equipment by the physician to the
22 patient, and

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24 Whereas, the American College of Surgeons has long standing policy against
25 payments by surgeons to referring physicians for those referrals, and

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27 Whereas, a perception exists that primary care physicians in certain medical
28 groups are rewarded for the percentage of referrals to specialists in those medical
29 groups, and

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31 Whereas, there is also a perception that primary care physicians in certain
32 medical groups are penalized for referring to specialists outside those medical groups
33 (leakage) by a reduction in bonus payments or other financial incentives; therefore be
34 it

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36 **RESOLVED:** That MSMS advocate that any financial relationship between a
37 referring physician and consultant or specialist be specifically disclosed and described
38 to the patient at the time of the referral; and be it further

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40 **RESOLVED:** That MSMS work with the Michigan Legislature to develop
41 legislation to require referring physicians to disclose to patients any financial
42 incentives for the referral.

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45 **WAYS AND MEANS COMMITTEE FISCAL NOTE: NONE**
