

AMENDMENTS TO HOUSE BILL NO. 18

Sponsor: REPRESENTATIVE MACKENZIE

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1 Amend Bill, page 1, line 9, by striking out "and,"

2 Amend Bill, page 1, line 10, by inserting after "review"

3 ; and, in insurance fraud, further providing for compensation to
4 other persons

5 Amend Bill, page 1, lines 17 through 20, by striking out all
6 of said lines and inserting

7 Section 1. Section 306(f.1)(3)(iii) and (6)(ii) of the act
8 of June 2, 1915 (P.L.736, No.338), known as the Workers'
9 Compensation Act, are amended, paragraph (3)(vi) is amended by
10 adding a subclause and paragraph (6) is amended by adding a
11 subparagraph to read:

12 Amend Bill, page 2, by inserting between lines 4 and 5

13 (iii) Notwithstanding any other provision of law, it is
14 unlawful for a provider to refer a person for laboratory,
15 physical therapy, rehabilitation, chiropractic, radiation
16 oncology, psychometric, pharmacy, home infusion therapy or
17 diagnostic imaging, goods or services pursuant to this section
18 if the provider has a financial interest with the person or in
19 the entity that receives the referral. It is unlawful for a
20 provider to enter into an arrangement or scheme such as a cross-
21 referral arrangement, which the provider knows or should know
22 has a principal purpose of assuring referrals by the provider to
23 a particular entity which, if the provider directly made
24 referrals to such entity, would be in violation of this section.
25 No claim for payment shall be presented by an entity to any
26 individual, third-party payer or other entity for a service
27 furnished pursuant to a referral prohibited under this section.

28 * * *

29 Amend Bill, page 3, by inserting between lines 9 and 10

30 (f) Whether the entity that has developed the formulary has
31 instituted procedures and safeguards to prevent conflicts of
32 interest with regard to the selection or denial of any
33 particular medication, or its type, dosage or duration for use

1 in the formulary.

2 (IV) The department may not select a drug formulary
3 developed by an entity that has a financial interest in the
4 selection or denial of any particular medication, or its type,
5 dosage or duration for use in the formulary, or any similar
6 conflict of interest.

7 Amend Bill, page 3, line 10, by striking out "(IV)" and
8 inserting

9 (V)

10 Amend Bill, page 3, line 22, by striking out "(V)" and
11 inserting

12 (VI)

13 Amend Bill, page 3, line 26, by striking out "(VI)" and
14 inserting

15 (VII)

16 Amend Bill, page 4, line 4, by striking out "(VII)" and
17 inserting

18 (VIII)

19 Amend Bill, page 4, line 13, by striking out "(VIII)" and
20 inserting

21 (IX)

22 Amend Bill, page 8, by inserting between lines 17 and 18

23 Section 3. Section 1103 of the act is amended by adding a
24 subsection to read:

25 Section 1103. * * *

26 (d) With respect to a workers' compensation insurance
27 benefit or claim, a lawyer may not refer a client to a health
28 care facility or pharmacy in which the lawyer holds a direct or
29 indirect ownership interest.

30 Amend Bill, page 8, line 18, by striking out "3" and
31 inserting

32 4

33 Amend Bill, page 8, line 22, by striking out "4" and
34 inserting

35 5