

REFERRALS and FINANCIAL BENEFITS

Preamble

The Nova Scotia College of Physiotherapists regulates the practice of physiotherapy¹ in Nova Scotia through the administration of the *Physiotherapy Act* and regulations.

The College acknowledges that it is in the best interests of the client to promote quality care and public protection through collaboration with other health care providers. Physiotherapists shall request consultation with, or refer clients to, colleagues or members of other health professions when such action is in the best interest of the client.

Physiotherapists shall enter into contracts and agreements only when professional integrity can be maintained.

Definitions

1. For the purposes of this Practice Standard:

- (a) **Conflict of Interest** means a situation in which an individual making a decision could be influenced or perceived to be influenced by personal, financial, business or valuable consideration, which is not in the public interest.
- (b) **Financial benefit** means receiving a financial benefit, either directly or indirectly, as a result of a referral. Financial benefits include, but are not limited to:
 - i. any benefit received by the person for the referral in the form of a referral fee, commission, rebate or gift
 - ii. the sharing of profits;
 - iii. the expectation of cross referral;

¹ The terms *physical therapist*, *physiotherapist*, *physiotherapy*, *physiotherapy*, *physiothérapie*, *physiothérapeute*, *PT* and *pht* are official marks used with permission. The terms *physical therapist* and *physical therapy* are synonyms for *physiotherapist* and *physiotherapy* respectively.

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Sharing of Fees

2. (1) Sharing fees with any person who has referred a client is a conflict of interest.²
- (2) Receiving fees from any person to whom a physiotherapist has referred a client is a conflict of interest.³
- (3) Requesting or accepting a rebate or commission for the referral of a client is a conflict of interest.⁴

Providing Financial Benefits for Referrals

3. Providing a financial benefit, either directly or indirectly, for the purpose of inducing a referral, is prohibited.

Referrals to a Different Practice Site

4. (1) The owner of a physiotherapy clinic will likely receive a financial benefit from a referral to a different practice site (a clinic in a different location that is also owned by the physiotherapist).
4. (2) In this situation the conflict of interest must be disclosed to the client, allowing the client to make an informed choice about where to receive care.
4. (3) The physiotherapist should adhere to all of the following steps
 - (a) disclose the conflict
 - (b) offer alternatives for care
 - (c) allow client choice
 - (d) reassure that there will be no affect on care; and
 - (e) document appropriately.

Self-Referral within the Same Practice Site

5. (1) The owner of a physiotherapy clinic will likely receive a financial benefit from a referral within the same practice site.
5. (2) In this situation a conflict of interest could be perceived. However, it is likely that the client has an awareness of the relationship and financial implications based on the fact that the referral is within the same practice.

² Regulations pursuant to the Physiotherapy Act 1998.c.22, s.50 (3) of Schedule A

³ Regulations pursuant to the Physiotherapy Act 1998.c.22, s.50 (3) of Schedule A

⁴ Regulations pursuant to the Physiotherapy Act 1998.c.22, s.50 (3) of Schedule A

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5. (3) It is never wrong to disclose the conflict of interest in order to ensure client understanding and to allow the client to make an informed choice about where to receive care.

Referrals and Limited Options for Treatment

6. (1) Where a community has limited options for treatment, it would be in the best interests of the client to be referred to a clinic despite a conflict of interest. In these cases, the conflict of interest cannot be avoided.
6. (2) The client has the right to make an informed choice regarding service provider and to understand that a financial benefit may result from the referral.
6. (3) To manage this conflict of interest, the physiotherapist should adhere to the steps outlined in section 4.(3).

Giving and Receiving Gifts

7. (1) When considering a gift to a potential referral source, consider how the gift will impact on the judgement of both the giver and the receiver. Neither the giver nor the receiver of a gift should feel obliged to do something in return.
7. (2) Where the receiver of a gift could feel pressured to provide referrals as a result of the gift then the gift could be impacting their judgement and referrals may no longer be solely in the best interest of the client.
7. (3) Gifts beyond those of a token nature may be perceived as an attempt to provide a financial benefit for a referral.

Invoicing for Services

8. It is the position of the College that invoices must be initiated by the health care provider, or designate, who performed the service.

ISSUED: February 2012

REPLACES: July 2009 Remuneration of Physicians for Non-Insured Services

And September 2006 Billing Practices
