



# Fast Facts

## Financial Disclosure

### Important Definitions

#### **Doctor –**

A doctor of medicine, osteopathic medicine, optometry, dentistry, podiatry, or chiropractic who is licensed and authorized to practice [TLC §401.011(17)].

#### **Health care facility –**

A hospital, emergency clinic, outpatient clinic, or other facility providing health care [TLC §401.011(20)].

#### **Health care practitioner –**

An individual who is licensed to provide or render and provides or renders medical aid, medical examinations, medical treatments, medical diagnoses, medical evaluations and medical services or a non-licensed individual who provides or renders health care under the direction or supervision of a doctor [TLC §401.011(21)].

### **What is the purpose of financial disclosure?**

Financial disclosure in the Texas workers' compensation system is intended to reduce the likelihood of health care practitioners making unnecessary referrals to other health care providers in which health care practitioners have a financial interest.

### **What are the disclosure requirements?**

Any health care practitioner who wishes to participate in the Texas workers' compensation system in any capacity is required to disclose to the Texas Department of Insurance, Division of Workers' Compensation (TDI-DWC) the identity of any other health care provider in which:

- the health care practitioner has a financial interest [28 Texas Administrative Code (TAC) §180.24(a)(2)];
- an immediate family member of the health care practitioner has a financial interest [28 TAC §180.24(a)(2)]; or
- a health care provider that employs the health care practitioner has a financial interest [Texas Labor Code (TLC) §413.041(a)].

### **How should I submit financial disclosure information to the TDI-DWC?**

Health care practitioners can submit financial disclosure information online to the TDI-DWC via the TXCOMP Provider System (TXCOMP) at <https://txcomp.tdi.texas.gov/twccprovidersolution/homehtml>. If you need assistance creating your individual profile in TXCOMP, you can contact TDI-DWC's Comp Connection for Health Care Providers by calling 1-800-372-7713 and select option 3 (804-4000 in the Austin area).

### **When do I submit financial disclosure?**

You should file financial disclosure with the TDI-DWC when referring an injured employee to another health care provider in which you have financial interest. This submission must be made no later than 30 days after the date that you, the health care practitioner, made the initial referral to that health care provider unless the disclosure was previously made [28 TAC §180.24(b)(1)].

## Important Definitions

### Health care provider –

A health care facility or health care practitioner [TLC §401.011(22)].

### Immediate family member –

- Husband or wife;
  - Birth or adoptive parent, child, or sibling;
  - Stepparent, stepchild, step-brother, or step-sister;
  - Father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law;
  - Grandparent or grandchild; and
  - Spouse of a grandparent or grandchild [28 TAC §180.24(a)(3)].
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## Do all health care providers submit financial disclosure?

A financial disclosure should be filed by any health care practitioner referring an injured employee to another health care provider. This submission must be no later than 30 days after the date the health care practitioner made the initial referral unless the disclosure was previously made [28 TAC §180.24(b)(1)].

## What is financial interest?

*Financial Interest is:*

- an interest of a health care practitioner, including an interest of the health care provider who employs the health care practitioner, or an interest of an immediate family member of the health care practitioner, which constitutes a direct or indirect ownership or investment interest in a health care provider; or
- a direct or indirect compensation arrangement between the health care practitioner, and the health care provider who employs the referring health care practitioner or an immediate family member of the health care practitioner and a health care provider [28 TAC §180.24(a)(2)].

A compensation arrangement is any arrangement involving any remuneration between a health care practitioner (or a member of a health care practitioner's immediate family) and a health care provider [28 TAC §180.24(a)(1)]. Remuneration is any payment or other benefit made directly or indirectly, overtly or covertly, in cash or in kind, including, but not limited to, forgiveness of debt [28 TAC §180.1(21)].

## What are some examples of financial disclosure?

These examples also apply to health care practitioners if they make referrals to health care providers in which there is a financial interest.

- If a health care practitioner has a 3% financial interest in an imaging center, the health care practitioner must report the information required in the TDI-DWC rule at 28 TAC §180.24(b)(3).
- If a health care practitioner is employed by a company that owns a physical therapy clinic, the health care practitioner must report information required in the TDI-DWC rule at 28 TAC §180.24(b)(3).
- If a health care practitioner's daughter has a compensation arrangement with a work hardening clinic (even if through employment), the health care practitioner must report information required in the TDI-DWC rule at 28 TAC §180.24(b)(3).

The TDI-DWC publishes all financial disclosure enforcement orders at <http://www.tdi.texas.gov/commissioner/actions.html> [TLC §413.041(d)].

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