

Is this permitted in other situations?

In other situations in which physicians make a referral to a specialist, for example to a neurologist or dermatologist, they are prohibited from receiving financial compensation of any kind from the specialist for that referral. This would be considered fee-splitting or receiving a “kickback” and is an act that is clearly illegal under current New York state law.

Why is this allowed with physical therapy clinics?

New York state laws, as well as federal Medicare regulations, actually do prohibit physicians from making a referral to a PT clinic in which they, or family members, hold a financial interest. Unfortunately, there are numerous “exceptions” to these laws that effectively permit them to do just this under certain conditions.

But my physician says that his clinic is better and that it will be an advantage to have me receive my therapy in his office so he can check up on my progress and be sure everything is being done as it should. Wouldn't this be true?

Not necessarily. There is no evidence to support the claim that a physician-owned, PT service - whether located in a physician's office building or a hospital - is superior in any way to an independent, physical therapist-owned practice. In fact, a past study comparing such practices in Florida showed just the opposite! The study revealed a pattern of both increased referrals to, and excessive therapy visits in, clinics owned by the referring physicians. It also concluded that there is a lower quality of care in such clinics based on findings of less time spent with each patient by licensed therapists.

The claim that physical therapists need to be supervised or guided by a physician is a long-ago, out-dated notion. Physical therapists are highly-trained (often at the doctoral level) professionals who have practiced independently for years as a part of the healthcare team. The idea that they suddenly need to be more

closely monitored is an obviously self-serving argument. If a therapist has a concern or question about your condition or treatment plan, modern technology makes it very easy to contact your physician to discuss your case. Proximity to an office or building does not necessarily improve communications between the physician and therapist.

Even if such proximity could be claimed to be advantageous, there simply is no evidence to support the argument that physician ownership of the PT clinic somehow increases that advantage. An independently-owned PT service in the same location would provide the same service – without the ethical conflicts involved with physician referral-for-profit questions.

How can I know if my physician is referring me to such a clinic?

There is no way to know for sure, but if your physician becomes insistent that you see a specific therapist, or suggests that he/she will be reluctant to have you continue as a patient if you do not comply, you may consider the possibility that a questionable financial interest exists. The most important thing to remember is - YOU DO HAVE THE RIGHT TO CHOOSE YOUR PHYSICAL THERAPIST!

Choice of What?

You have the right to choose your physical therapist! When a physician or other healthcare provider recommends a PT, how do you know that that therapist or practice is the best one for your condition? You should know that you have the right to seek out the best possible PT treatment for yourself. While your physician may justifiably make a recommendation based on his or her experience and personal knowledge of a therapist's abilities, he or she cannot ethically coerce, insist, or force you to go to a particular clinic or physical therapist.

Why would a physician insist I see one particular therapist or office over another?

Some physicians have a financial interest in, or outright ownership of, physical therapy clinics. Others employ physical therapists within their office. The American Physical Therapy Association considers this to be a potential conflict-of-interest, since the physician is deriving income for the singular act of providing a referral, not for providing a professional service.

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You Do Have A Choice!

