



Ohio Revised Code

Section 4731.68 Ownership of investment securities.

Effective: September 29, 2017

Legislation: House Bill 49 - 132nd General Assembly

(A) Ownership of investment securities in a corporation, including bonds, debentures, notes, other debt instruments, or shares, shall not be considered an ownership or investment interest described in division (A)(1) of section 4731.66 of the Revised Code if all of the following apply:

(1) The securities were purchased on terms generally available to the public.

(2) The corporation is listed for trading on the New York stock exchange or the American stock exchange or is a national market system security traded under an automated interdealer quotation system operated by the national association of securities dealers.

(3) The corporation had, at the end of its most recent fiscal year, total assets exceeding one hundred million dollars.

(B) Payments for the rental or lease of office space shall not be considered a compensation arrangement described in division (A)(2) of section 4731.66 of the Revised Code if all of the following apply:

(1) There is a written agreement signed by the parties for the rental or lease of the space that does all of the following:

(a) Specifies the space covered by the agreement and dedicated for the use of the lessee;

(b) Provides for a term of rental or lease of at least one year;

(c) Provides for payment on a periodic basis of an amount that is consistent with fair market value;

(d) Provides for an amount of aggregate payments that does not directly or indirectly vary based on the volume or value of any referrals of business between the parties;



(e) Would be commercially reasonable even if no referrals were made between the parties.

(2) In the case of a rental or lease arrangement between a holder of a license under this chapter or member of the license holder's immediate family and another person in which the license holder or family member also has an ownership or investment interest described in division (A)(1) of section 4731.66 of the Revised Code, the office space is in the same building as the building in which the license holder or the license holder's group practice has a practice.

(3) The arrangement meets any other requirements that the state medical board applies in rules adopted under section 4731.70 of the Revised Code.

(C) An arrangement between a hospital and a license holder or a member of the license holder's immediate family for the employment of the license holder or family member or for the provision of administrative services shall not be considered a compensation arrangement described in division (A)(2) of section 4731.66 of the Revised Code if all of the following apply:

(1) The arrangement is for identifiable services.

(2) The amount of the remuneration under the arrangement is consistent with the fair market value of the services and is not determined in a manner that directly or indirectly takes into account the volume or value of any referrals by the license holder.

(3) The remuneration is provided pursuant to an agreement that would be commercially reasonable even if the license holder made no referrals to the hospital.

(4) The arrangement meets any other requirements that the state medical board applies in rules adopted under section 4731.70 of the Revised Code.

(D) Remuneration by a hospital of a license holder to induce the license holder to relocate to the geographic area served by the hospital in order to be a member of the hospital's medical staff shall not be considered a compensation arrangement described in division (A)(2) of section 4731.66 of the Revised Code if all of the following apply:



- (1) The license holder is not required to refer patients to the hospital.

- (2) The amount of the remuneration is not determined in a manner that directly or indirectly takes into account the volume or value of any referrals by the license holder to the hospital.

- (3) The arrangement meets any other requirements that the state medical board applies in rules adopted under section 4731.70 of the Revised Code.

- (E) Remuneration of a license holder or member of the license holder's immediate family by a person other than a hospital shall not be considered a compensation arrangement described in division (A)(2) of section 4731.66 of the Revised Code if all of the following apply:
 - (1) The remuneration is for any of the following:
 - (a) Specific, identifiable services as the medical director or a member of a medical advisory board of the person;

 - (b) Specific, identifiable physicians' services furnished to an individual in a hospice if the physicians' services are payable by the individual's third-party payer only to the hospice;

 - (c) Specific, identifiable physicians' services furnished to a nonprofit blood center;

 - (d) Specific, identifiable administrative services other than direct patient care services in circumstances specified in rules adopted by the state medical board under section 4731.70 of the Revised Code.

 - (2) The amount of the remuneration under the arrangement is consistent with the fair market value of the services and is not determined in a manner that directly or indirectly takes into account the volume or value of any referrals by the license holder.

 - (3) The remuneration is provided pursuant to an agreement that would be commercially reasonable even if the license holder made no referrals to the person.



(4) The arrangement meets any other requirements that the state medical board applies in rules adopted under section 4731.70 of the Revised Code.

(F) Isolated financial transactions, including a one-time sale of property, shall not be considered a compensation arrangement described in division (A)(2) of section 4731.66 of the Revised Code if all of the following apply:

(1) The amount of the remuneration under the arrangement is consistent with fair market value and is not determined in a manner that directly or indirectly takes into account the volume or value of any referrals by the license holder.

(2) The remuneration is provided pursuant to an agreement that would be commercially reasonable even if the license holder made no referrals to the other parties to the transaction.

(3) The transaction meets any other requirements that the state medical board applies in rules adopted under section 4731.70 of the Revised Code.

(G) Payment of the salary of a license holder by the license holder's group practice shall not be considered a compensation arrangement described in division (A)(2) of section 4731.66 of the Revised Code.