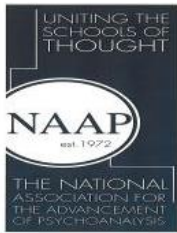


NY Senate Bill 5862/Assembly Bill 8153
Authorizing certain licensed health service professionals
to form limited liability companies



This bill, S.5862 (LaValle)/A.8153 (Peoples-Stokes), would allow physicians who wish to jointly own healthcare practices with other health service providers to do so in order to improve patient care and reduce healthcare costs. This coalition of health service provider associations strongly supports this legislation.

Current law prohibits physicians from owning professional practices with non-physicians. This bill would amend the law to allow physicians to enter into a voluntary, legal relationship to jointly own business corporations, professional limited liability partnerships and professional limited liability companies with certain health service providers, including chiropractors, pharmacists, nurse practitioners, midwives, podiatrists, optometrists, ophthalmic dispensers, psychologists, social workers, massage therapists, mental health counselors and occupational therapists. Importantly, this bill would **not** mandate or require that a physician own a practice with any other professional, but would merely allow such physicians and other health service providers to make the mutually consensual decision to jointly own a practice - without the law limiting that decision.

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It is widely recognized that the greater collaboration and coordination of healthcare among providers can improve the quality of patient care and result in better outcomes. In fact, New York State has put a premium on urging, incentivizing and removing barriers to such collaboration, including through the State Health Innovation Plan and through the Delivery System Reform Incentive Payment (“DSRIP”) Program. Multi-specialty practices, which would be encouraged through this legislation, is one way to achieve greater collaboration since having various providers as part of one practice will improve consultation and communication among providers in the diagnosis and treatment of patients.

In fact, not all medical care in New York State is currently provided by allopathic physicians. Many professionals currently provide essential care to New Yorkers as part of a team approach to care. This ability to coordinate care at a single location is more important now than ever as the State faces access to care challenges presented by the hundreds of newly insured individuals and families under the federal affordable care act. This legislation will encourage a coordinated care model between allopathic physicians and other healthcare professionals who together may improve outcomes, reduce duplication of services and decrease healthcare costs to the patients and the healthcare system.

Health care providers would also realize a benefit to partnering with physicians through the sharing of liabilities and costs associated with operating a medical practice, ranging from support staff who handle complicated billing arrangements and record management, technology associated with electronic health records, office space, and insurance. These efficiencies will enhance the viability of these practices and will help abate the pressure on patients, employers and insurers to pay for increasing provider costs.

Finally, there is no public health or patient safety concern associated with allowing joint ownership. All applicable laws related to the regulation, oversight and enforcement of the respective professions would remain in full force and would not in any way be diminished by this bill. Many states allow physicians to establish and own collaborative practices with other health service providers and New York State already allows all other licensed professionals, other than physicians, to jointly own practices with licensees from different professions. There is no evidence that these arrangements would, in any way, compromise patient safety.

For these reasons, this coalition of health service providers urges the New York State Legislature to pass S.5862/A.8153.

New York State Chiropractic Association
New York State Association for Marriage and Family Therapy
New York Mental Health Counselors Association
New York State Association of Licensed Midwives
New York State Association of Neuropsychology
New York State Occupational Therapy Association
New York State Society of Opticians, Inc.
New York State Optometric Association
New York State Podiatric Medical Association
National Association for Advancement of Psychoanalysis
New York State Psychological Association
National Association of Social Works, New York Chapter