

FINAL BILL REPORT

SSB 6150

C 22 L 96

Synopsis as Enacted

Brief Description: Modifying allowed composition of health care professional service corporations and limited liability companies.

Sponsors: Senate Committee on Health & Long-Term Care (originally sponsored by Senators Thibaudeau, Deccio, Kohl, Franklin and Wood).

Senate Committee on Health & Long-Term Care

House Committee on Health Care

Background: Under current law a group of individual health care professionals may form a professional service corporation or limited liability company only if all the professionals are members of the same profession. This prevents members of different health care professions from forming a professional service corporation or limited liability company for the purpose of delivering a spectrum of professional services.

Physicians and osteopathic physicians have been allowed to form a single professional service corporation or a limited liability company because they were considered to be providing the same service. This interpretation has recently been called into question by the Secretary of State's office. As a result, both physicians' groups believe that some clarification is needed.

Summary: Certain licensed and certified health care professionals are given the ability to form a single professional service corporation or limited liability company. The legislation grants this to 17 different health care professions. In addition, language is added to clearly permit physicians and osteopathic physicians to form a personal service corporation or a limited liability company.

The applicability of the Uniform Disciplinary Act and other health care professional statutes are affirmed, including restrictions on persons practicing beyond the scope of their credentials. Osteopathic physicians and osteopathic physician assistants are dropped from the list of health professionals who can incorporate with the 17 other health care professions. Language is added allowing physicians and osteopathic physicians to incorporate together.

Respiratory care practitioners, pharmacists and hearing aid fitters and dispensers are added to the list of health care professionals who can incorporate together.

Votes on Final Passage:

Senate	48 0
House	98 0

Effective: June 6, 1996