

HOUSE BILL REPORT

HB 1082

As Passed Legislature

Title: An act relating to expanding opportunities for physical therapy and occupational therapy professionals to form professional service corporations.

Brief Description: Expanding opportunities for physical therapy and occupational therapy professionals to form professional service corporations.

Sponsors: Representatives Simmons, Jacobsen, Goodman, Springer, Santos and Ormsby.

Brief History:

Committee Activity:

Consumer Protection & Business: 1/18/23, 1/20/23 [DP].

Floor Activity:

Passed House: 1/25/23, 96-0.

Passed Senate: 3/29/23, 49-0.

Passed Legislature.

Brief Summary of Bill

- Permits physical therapists and occupational therapists to share an ownership interest in a health care practice with other health care professionals, rather than only within their scope of practice.

HOUSE COMMITTEE ON CONSUMER PROTECTION & BUSINESS

Majority Report: Do pass. Signed by 12 members: Representatives Walen, Chair; Reeves, Vice Chair; Corry, Ranking Minority Member; McClintock, Assistant Ranking Minority Member; Chapman, Cheney, Connors, Donaghy, Hackney, Ryu, Sandlin and Santos.

Staff: Megan Mulvihill (786-7304).

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Background:

Professional service corporations are a corporate structure under state law which is comprised of a specific group of professionals, and only those who are licensed to practice the same profession may be owners of the professional service corporation. In Washington, professionals licensed to provide a particular health care service may form and practice through a professional health service corporation or professional limited liability company. Additionally, a group of professionals licensed to practice a number of different health care services may combine to form and practice their services through a single professional service corporation or professional limited liability company. However, they may engage only in the health care services for which they are licensed.

Occupational therapists and physical therapists are licensed by the Department of Health to provide occupational therapy and physical therapy respectively. These professions are authorized to own stock in and jointly form or practice through a single professional service corporation or professional limited liability company for the sole purpose of providing professional services within their respective scope of practice. Physical therapists and occupational therapists are not permitted to join a professional service corporation with other health care professions.

Summary of Bill:

Physical therapists and occupational therapists may own stock in, and render their individual professional services through, a professional service corporation with other health care professionals.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) Physical therapists and occupational therapists want the opportunity to serve their patients in a multi-disciplinary setting. This type of setting benefits patients because they have increased access to different types of health care professionals at one location, which is more convenient. There is also only one administrative team that the patient has to interact with for scheduling, which reduces confusion. For certain insurance plans, the cost to families will be diminished when they can just pay for one co-pay rather than two. It also allows for greater collaboration across health care professions, which helps patients achieve their therapy goals and provides for multi-disciplinary services.

(Opposed) None.

Persons Testifying: Representative Tarra Simmons, prime sponsor; Renae Lewandowski, Therapeutic Beginnings; and Maile Mohsenian, Empire Therapy.

Persons Signed In To Testify But Not Testifying: None.