

# SENATE BILL REPORT

## HB 1082

---

---

As Passed Senate, March 29, 2023

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

**Committee Activity:** Health & Long Term Care: 3/10/23, 3/14/23 [DP].

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

### 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.

---

### SENATE COMMITTEE ON HEALTH & LONG TERM CARE

**Majority Report:** Do pass.

Signed by Senators Cleveland, Chair; Robinson, Vice Chair; Muzzall, Assistant Ranking Member; Conway, Dhingra, Holy, Padden, Randall and Van De Wege.

**Staff:** Julie Tran (786-7283)

**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

---

*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.*

practice through a professional health service corporation or professional limited liability company. 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 (OTs) and physical therapists (PTs) 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. PTs and OTs are not permitted to join a professional service corporation with other health care professionals.

The other health care professionals include those individuals licensed as: acupuncturists, acupuncture and Eastern medicine practitioners, mental health counselors, marriage and family therapists, social workers, podiatric physicians, podiatric surgeons, chiropractors, dental hygienists, dispensing opticians, audiologists, speech-language pathologists, hearing aid specialists, midwives, naturopaths, optometrists, ocularists, osteopathic physician, osteopathic surgeon, pharmacists, physicians, physician assistants, practical nurses, registered nurses, advanced registered nurse practitioners, psychologists, respiratory care practitioners, massage therapists, dietitians, and nutritionists.

**Summary of Bill:** PTs and OTs 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.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: PT and OTs want the opportunity to serve their patients in a multi-disciplinary setting. Patients may receive all their rehabilitative needs under one roof. This will reduce transportation barriers for patients and also, it will reduce confusion as there will only be one administrative team working with patients and families. This bill helps with efficiencies and streamlines the process since there will be one set of intake forms, one set of records, and one invoice. Patients will benefit when health care professionals can collaborate together and families may see a cost-savings by having to only pay one co-pay fee instead of two. This bill will improve care for Washington residents and allow health care professionals to meet the need of Washington residents.

**Persons Testifying:** PRO: Representative Tarra Simmons, Prime Sponsor; Maile Mohsenian, Empire Therapy; Renae Lewandowski, Therapeutic Beginnings; Ben Boyle, APTA Washington.

**Persons Signed In To Testify But Not Testifying:** No one.