

HB 3439 STAFF MEASURE SUMMARY

Carrier: Sen. Monnes Anderson

Senate Committee On Health Care

Action Date: 05/11/17
Action: Do pass.
Vote: 4-0-1-0
Yeas: 4 - Beyer, Knopp, Kruse, Monnes Anderson
Exc: 1 - Steiner Hayward
Fiscal: No fiscal impact
Revenue: No revenue impact
Prepared By: Oliver Droppers, LPRO Analyst

WHAT THE MEASURE DOES:

Allows a professional corporation, organized for the purpose of practicing medicine and that renders health care services, to be owned by physicians, physician assistants and nurse practitioners as a majority of voting shares in a corporation. Prohibits an individual whom the professional corporation employs, or individual who owns interest in the professional corporation, from directing medical judgment of physician, physician assistant or nurse practitioner. Prohibits physician, physician assistant or nurse practitioner from directing services of another practitioner in the professional corporation unless the other practitioner also practices within the same scope of practice as a physician, physician assistant or nurse practitioner.

ISSUES DISCUSSED:

- Provisions of the measure

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

In Oregon, a company organized for practicing medicine must be majority owned by physicians and directed by physicians. More than 20 states have similar laws. The intent of such laws is to prevent a business corporation or lay person from controlling the medical decisions of physicians or their professional staff, referred to as the “corporate practice of medicine.” Oregon law currently prohibits non-physician health care providers from being the majority shareholder or purchasing a clinic from a physician.

House Bill 3439 allows physician assistants (PAs) and nurse practitioners (NPs) to have equal or majority ownership in professional corporations organized for the purpose of practicing medicine. The bill also allows PAs and NPs to establish new or purchase existing clinics in Oregon.