

## **BILL ANALYSIS**

H.B. 2098  
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Business & Industry  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Certain sources assert that business partnerships between physicians and physician assistants (PA) provide positive benefits to their patients, the community, and to the physicians and PAs themselves and that such partnerships are a key solution to the shortage of physicians and PAs in rural and other underserved areas. H.B. 2098 seeks to recognize the contributions of PAs to health care by allowing PAs, at their physicians' discretion, to be minority partners in their physicians' practice groups, which will attract even more PAs to those areas and will be a valuable recruiting tool in all practice settings.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

H.B. 2098 amends the Business Organizations Code to authorize licensed physicians and licensed physician assistants to create or form a corporation or partnership, and to form and own a professional association or a professional limited liability company, to perform a professional service that falls within the scope and practice of those practitioners. The bill provides that the professional services performed by a corporation created under the bill's provisions consist of carrying out research in the public interest in medical science, medical economics, public health, sociology, or a related field; supporting medical education in medical schools through grants or scholarships; developing the capabilities of individuals or institutions studying, teaching, or practicing medicine or acting as a physician assistant; delivering health care to the public; or instructing the public regarding medical science, public health, hygiene, or a related matter.

H.B. 2098 establishes that, when physicians and physician assistants form a corporation or partnership, the authority of each practitioner is limited by the scope of practice of the respective practitioners. The bill requires the organizers of either such an entity to ensure that a physician or physicians control and manage the aspects of the entity relating to the practice of medicine.

H.B. 2098 prohibits the bill's provisions relating to the formation of a corporation, partnership, professional association, or professional limited liability company by licensed physicians and licensed physician assistants from being construed to allow the practice of medicine by someone not licensed as a physician under state law or to allow a person not licensed as a physician to direct the activities of a physician in the practice of medicine. The bill limits a physician assistant or combination of physician assistants to a minority ownership interest in an entity created under those provisions of the bill.

H.B. 2098 establishes, in its provisions relating to the formation of a corporation or partnership by licensed physicians and licensed physician assistants, that the Texas Medical Board and the Texas Physician Assistant Board continue to exercise regulatory authority over their respective license holders according to applicable law.

**EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2011.