

By: Dale

H.B. No. 3820

A BILL TO BE ENTITLED

AN ACT

relating to the authority of chiropractors to form certain business entities with certain other professions.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 22.056, Business Organizations Code, is amended to read as follows:

Sec. 22.056. HEALTH ORGANIZATION CORPORATION. (a) Doctors of medicine and osteopathy licensed by the Texas ~~[State Board of]~~ Medical Board, ~~[Examiners and]~~ podiatrists licensed by the Texas State Board of Podiatric Medical Examiners, and chiropractors licensed by the Texas Board of Chiropractic Examiners may form a corporation that is jointly owned, managed, and controlled by those practitioners to perform a professional service that falls within the scope of practice of those practitioners and consists of:

(1) carrying out research in the public interest in medical science, medical economics, public health, sociology, or a related field;

(2) supporting medical education in medical schools through grants or scholarships;

(3) developing the capabilities of individuals or institutions studying, teaching, or practicing medicine, including podiatric medicine, or chiropractic;

(4) delivering health care to the public; or

(5) instructing the public regarding medical science,

1 public health, hygiene, or a related matter.

2 (b) When doctors of medicine, osteopathy, ~~[and]~~ podiatry,  
3 and chiropractic form a corporation that is jointly owned by those  
4 practitioners, the authority of each of the practitioners is  
5 limited by the scope of practice of the respective practitioners  
6 and none can exercise control over the other's clinical authority  
7 granted by their respective licenses, either through agreements,  
8 the certificate of formation or bylaws of the corporation,  
9 directives, financial incentives, or other arrangements that would  
10 assert control over treatment decisions made by the practitioner.  
11 The Texas ~~[State Board of]~~ Medical Board, ~~[Examiners and]~~ the Texas  
12 State Board of Podiatric Medical Examiners, and the Texas Board of  
13 Chiropractic Examiners continue to exercise regulatory authority  
14 over their respective licenses.

15 SECTION 2. Section 152.055, Business Organizations Code, is  
16 amended to read as follows:

17 Sec. 152.055. AUTHORITY OF CERTAIN PROFESSIONALS TO CREATE  
18 PARTNERSHIP. (a) Persons licensed as doctors of medicine and  
19 persons licensed as doctors of osteopathy by the Texas ~~[State Board~~  
20 ~~of]~~ Medical Board, ~~[Examiners and]~~ persons licensed as podiatrists  
21 by the Texas State Board of Podiatric Medical Examiners, and  
22 persons licensed as chiropractors by the Texas Board of  
23 Chiropractic Examiners may create a partnership that is jointly  
24 owned by those practitioners to perform a professional service that  
25 falls within the scope of practice of those practitioners.

26 (b) When doctors of medicine, osteopathy, ~~[and]~~ podiatry,  
27 and chiropractic create a partnership that is jointly owned by

1 those practitioners, the authority of each of the practitioners is  
2 limited by the scope of practice of the respective practitioners  
3 and none can exercise control over the other's clinical authority  
4 granted by their respective licenses, either through agreements,  
5 bylaws, directives, financial incentives, or other arrangements  
6 that would assert control over treatment decisions made by the  
7 practitioner.

8 (c) The Texas [~~State Board of~~] Medical Board, [~~Examiners~~  
9 ~~and~~] the Texas State Board of Podiatric Medical Examiners, and the  
10 Texas Board of Chiropractic Examiners continue to exercise  
11 regulatory authority over their respective licenses.

12 SECTION 3. Sections 301.012(a) and (f), Business  
13 Organizations Code, are amended to read as follows:

14 (a) Persons licensed as doctors of medicine and persons  
15 licensed as doctors of osteopathy by the Texas [~~State Board of~~]  
16 Medical Board, [~~Examiners and~~] persons licensed as podiatrists by  
17 the Texas State Board of Podiatric Medical Examiners, and persons  
18 licensed as chiropractors by the Texas Board of Chiropractic  
19 Examiners may jointly form and own a professional association or a  
20 professional limited liability company to perform professional  
21 services that fall within the scope of practice of those  
22 practitioners.

23 (f) When doctors of medicine, osteopathy, [~~and~~] podiatry,  
24 and chiropractic, or doctors of medicine, osteopathy, and optometry  
25 or therapeutic optometry, or mental health professionals form a  
26 professional entity as provided by Subsections (a), (b), and (c),  
27 the authority of each of the practitioners is limited by the scope

1 of practice of the respective practitioners and none can exercise  
2 control over the other's clinical authority granted by their  
3 respective licenses, either through agreements, bylaws,  
4 directives, financial incentives, or other arrangements that would  
5 assert control over treatment decisions made by the practitioner.

6 SECTION 4. This Act takes effect immediately if it receives  
7 a vote of two-thirds of all the members elected to each house, as  
8 provided by Section 39, Article III, Texas Constitution. If this  
9 Act does not receive the vote necessary for immediate effect, this  
10 Act takes effect September 1, 2017.