
DIGEST

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HB 483 Reengrossed

2021 Regular Session

Wright

Abstract: Prohibits contractual provisions restricting physicians from the practice of medicine.

Present law prohibits contracts or agreements which restrain anyone from exercising a lawful profession, trade, or business of any kind, unless specifically exempt by present law.

Proposed law retains present law and prohibits noncompete contract clauses that restrict primary care physicians, regardless of employer, or any physician employed by the state from the practice of medicine.

Proposed law prohibits noncompete clauses from being enforced upon a physician specialist not employed by the state if he has served under the employer or contractor for three years or greater.

Proposed law requires a reasonable buyout clause be utilized in employment contracts with physician specialists not employed by the state, and provides criteria for the buyout clause.

Proposed law provides no provision to restrict the practice of medicine is enforceable against a physician specialist not employed with the state who was terminated without cause.

Proposed law provides that no contractual provision may prohibit a physician specialist not employed by the state from practicing within a restricted geographical area for more than two years.

Proposed law does not apply to rural hospitals, as that term is defined in present law, if certain geographical conditions are met.

Proposed law defines "primary care physician", "physician specialist", and "restricted geographic region".

(Adds R.S. 37:1303)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Commerce to the original bill:

1. Extend the scope of proposed law as it relates to primary care physicians to include primary care physicians, regardless of employer, and any physician employed by the state.

2. Limit the scope of proposed law in relation to physician specialists to apply only to physician specialists who are not employed by the state.
3. Change the definition of "restricted geographic region" to apply to physician specialists.
4. Add an exception for rural hospitals.
5. Make technical changes.