HLS 21RS-4054 ORIGINAL

2021 Regular Session

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HOUSE RESOLUTION NO. 223

BY REPRESENTATIVE BAGLEY

CONTRACTS: Directs a joint subcommittee to study certain contractual restrictions on the practice of medicine

A RESOLUTION

2	To authorize and direct the House Committee on Commerce and the House Committee on
3	Health and Welfare, or a subcommittee composed of members of these committees,
4	to meet and function as a joint committee to study the role and effects of
5	noncompetition agreements relative to physicians in this state and to report the
6	findings of the joint committee to the House of Representatives of the Legislature of
7	Louisiana.
8	WHEREAS, as a matter of public policy, Louisiana has demonstrated a long-held
9	position limiting noncompetition agreements; and
10	WHEREAS, noncompetition agreements prohibit an individual from competing in
11	a designated geographical area for a specified period of time; and
12	WHEREAS, noncompetition agreements are enforceable against physicians; and
13	WHEREAS, enforcement of noncompetition agreements relative to physicians may
14	limit the freedom of patients to choose their treating physician; and
15	WHEREAS, noncompetition agreements may exacerbate physician shortages in
16	many Louisiana parishes; and
17	WHEREAS, hospitals and physician-owned clinics find value in noncompetition
18	agreements as these limiting agreements protect investments in employees and the services
19	those employees provide to their patients; and
20	WHEREAS, physicians gain new knowledge, learn new skills, and build their
21	reputation while in practice; and

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WHEREAS, noncompetition agreements may encourage retention and deter 2 employed physicians from leaving their current practices; and 3 WHEREAS, according to a 2018 American Medical Association economic impact 4 study, physicians bring economic prosperity to communities through more than one hundred 5 thousand jobs, more than nineteen million dollars in economic activity, more than six 6 hundred million dollars in state and local tax revenue, and nearly nine billion dollars in 7 wages and benefits; and 8 WHEREAS, the interests on both sides of noncompetition agreements for physicians 9 need to be better understood in order for legislators to make informed policy decisions 10 regarding and regulate concerns arising from these types of restrictive agreements. 11 THEREFORE, BE IT RESOLVED that the House of Representatives of the 12 Legislature of Louisiana does hereby authorize and direct the House Committee on 13 Commerce and the House Committee on Health and Welfare, or a subcommittee composed 14 of members of these committees, to meet and function as a joint committee to study various 15 aspects of noncompetition agreements relative to physicians in this state and to report the 16 findings of the joint committee to the elected members of the House of Representatives prior 17 to the convening of the 2022 Regular Session of the legislature. 18 BE IT FURTHER RESOLVED that the House of Representatives of the Legislature 19 of Louisiana further directs the joint committee to solicit input, information, data, 20 recommendations, and advice from the following persons, agencies, and organizations in 21 connection with the study called for in this Resolution: 22 Louisiana Children's Medical Center. (1) 23 Louisiana Department of Health. (2) 24 (3) Louisiana Hospital Association. 25 Louisiana State Medical Society. (4) 26 Physicians currently employed by public universities in this state. (5) 27 Physicians currently practicing medicine in this state. (6) 28 Representatives from the Cardiovascular Institute of the South. (7) 29 (8) Representatives from Ochsner Health.

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1 (9) Representatives from Our Lady of the Lake Regional Medical Center and its 2 affiliated campuses. 3 (10)Representatives of physician-owned clinics in the state. 4 Representatives of Willis-Knighton Medical Center. (11)5 The Rural Hospital Coalition of Louisiana. (12)6 (13)Louisiana Orthopaedic Association 7 (14) Any persons, agencies, entities, or stakeholders that the joint committee 8 deems necessary to fulfill its purposes.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HR 223 Original

2021 Regular Session

Bagley

Authorizes and directs the House Committee on Commerce and the House Committee on Health and Welfare, or a subcommittee composed of members of these committees, to meet and function as a joint committee to study various aspects of noncompetition agreements relative to physicians in this state.

Authorizes and directs the joint committee to report its findings to the House of Representatives prior to the convening of the 2022 R.S.