

SUBJECT: Allowing doctors and podiatrists to form professional associations

COMMITTEE: Public Health — favorable, with amendment

VOTE: 5 ayes — Berlanga, Hirschi, Delisi, Glaze, Maxey

0 nays

4 absent — Coleman, Davila, Janek, Rodriguez

WITNESSES: For — Des M. Taylor, Texas Podiatric Medical Association; Donald R. Blum, Henry C. Traska, Jr., Norman William Goldman

Against — None

BACKGROUND : The Texas Professional Association Act allows licensed professionals to form associations with the intent of providing professional services and dividing the gains. Under the act, all members of the association must be licensed to perform the type of professional service for which the association was formed. In 1991, the Legislature amended the act to specifically allow podiatrists to form professional associations. The amending legislation specified that it did not affect the application of the act “except that a podiatrist may hereafter also form a professional association with other podiatrists or doctors of medicine.”

DIGEST: HB 1149 would amend the Texas Professional Association Act to provide that licensed podiatrists and licensed doctors of medicine and osteopathy may form jointly owned associations. As amended, the bill would specify that the doctors and podiatrists who form a professional association are limited to practicing their own areas of specialty and that each would continue to be regulated by the licensing board overseeing that area of practice.

HB 1149 would take immediate effect if finally approved by a two-thirds record vote of the membership in each house.

SUPPORTERS
SAY:

HB 1149 would clarify legislative intent that podiatrists and doctors of medicine and osteopathy are authorized to form professional associations with one another. HB 1149 would not change current practice because the Secretary of State has been certifying professional organizations made up of podiatrists and doctors since the 1991 bill that provided for such associations. But conflicting language in the text and history of the Texas Professional Association Act has created doubt about the ability of podiatrists and medical doctors to join together in professional associations. Because of this doubt, the State Board of Medical Examiners, which regulates doctors, has even requested an attorney general's opinion to determine whether it can regulate physicians who are part of professional associations made up of doctors and podiatrists. Pending the attorney general's opinion, HB 1149 would resolve all these questions based on the clearly enunciated intent of past legislators.

Podiatrists need clear authority to join with medical doctors in professional associations because such associations are the mechanisms through which managed care organizations typically contract with health care providers. Consumers in these managed care organizations can only receive podiatric care from a licensed podiatrist who is part of a professional association of doctors that has contracted with the organization.

This bill would not affect other health care providers, such as chiropractors, because they typically enter into different contractual arrangements with managed care organizations.

OPPONENTS
SAY:

No apparent opposition.

NOTES:

The committee amendment would limit the scope of activities by practitioners within an association to their specific areas of specialty and specify that each practitioner would continue to be regulated by their current regulatory authority.

The companion bill, SB 917 by Barrientos, is pending in the Senate Economic Development Committee.