

SUBJECT: Allowing chiropractors to form certain joint business entities

COMMITTEE: Public Health — favorable, without amendment

VOTE: 10 ayes — Price, Sheffield, Arévalo, Burkett, Coleman, Collier, Cortez, Guerra, Klick, Zedler

0 nays

1 absent — Oliverson

SENATE VOTE: On final passage, March 22 — 29-0

WITNESSES: For — Chad Carpenter and Kevin Kanz, Texas Chiropractic Association

Against — None

BACKGROUND: Business Organizations Code, sec. 22.056 permits doctors of medicine and osteopathy licensed by the Texas Medical Board and podiatrists licensed by the Texas State Board of Podiatric Medical Examiners to form jointly owned corporations that:

- conduct research for public interest in medical science, medical economics, public health, sociology, or a related field;
- support medical education through grants or scholarships;
- develop individual or institutional capabilities in the study, instruction, or practice of medicine;
- deliver health care to the public; or
- instruct the public about medical science, public health, hygiene, or a related manner.

Sec. 152.055 allows licensed podiatrists and doctors of medicine and osteopathy to form a jointly owned partnership to perform a professional service that falls within their scope of practice. Sec. 301.012 permits these licensed practitioners to form and own a jointly owned professional

association or professional limited liability company to perform a professional service that falls within the scope of their practice.

The authority of licensed medical doctors, osteopathic physicians, or podiatrists who form one of these joint entities is limited by the scope of practice of each, and practitioners may not exercise control over another practitioner's clinical authority granted by their respective licenses.

Observers have recommended encouraging equal access to entry into the medical industry by allowing licensed chiropractors to form the same jointly owned business entities as podiatrists and doctors of medicine and osteopathy.

DIGEST: SB 679 would permit a chiropractor licensed by the Texas Board of Chiropractic Examiners to form a jointly owned partnership, professional association, or professional limited liability company with licensed practitioners including medical doctors, osteopathic physicians, or podiatrists to perform a professional service that fell within the scope of their practice. Licensed chiropractors also could form a jointly owned corporation to conduct certain medical research, issue grants and scholarships for medical education, develop certain medical capabilities, deliver health care, or educate the public.

The authority of chiropractors would be limited by the scope of their practice, and chiropractors could not exercise control over other practitioners' clinical authority granted by their respective licenses.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2017.

NOTES: A companion bill, HB 3820 by Dale, was referred to the House Committee on Public Health on March 30.