HLS 21RS-3839 ENGROSSED

2021 Regular Session

1

HOUSE CONCURRENT RESOLUTION NO. 125

BY REPRESENTATIVE WRIGHT

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

A CONCURRENT RESOLUTION

2	To authorize and direct the House Committee on Commerce, or a subcommittee thereof, and
3	the Senate Committee on Commerce, Consumer Protection, and International
4	Affairs, or a subcommittee thereof, to meet and to function as a joint committee to
5	study the role and effects of noncompetition agreements relative to physicians in the
6	state and to report the findings of the joint committee to the legislature prior to the
7	convening of the 2022 Regular Session of the Legislature of 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

1 WHEREAS, noncompetition agreements may encourage retention and deter 2 employed physicians from leaving their current practices; and 3 WHEREAS, according to the 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 interest on both sides of noncompetition agreements for physicians 9 need to be better understood in order to effectively legislate and regulate concerns arising 10 from these types of restrictive agreements. 11 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby 12 direct the House Committee on Commerce, or a subcommittee thereof, and the Senate 13 Committee on Commerce, Consumer Protection, and International Affairs, or a 14 subcommittee thereof, to meet and to function as a joint committee to study various aspects 15 of noncompetition agreements relative to physicians in the state and to report the findings 16 of the joint committee to the legislature prior to the convening of the 2022 Regular Session 17 of the Legislature of Louisiana. 18 BE IT FURTHER RESOLVED that the Legislature of Louisiana further directs the 19 joint committee to solicit input, information, data, recommendations, and advice from the 20 following persons, agencies, and organizations: 21 (1) Louisiana Children's Medical Center. 22 (2) Louisiana Department of Health. 23 (3) Louisiana Hospital Association. 24 (4) Louisiana State Medical Society. 25 (5) Physicians currently employed by public universities in the state. 26 (6) Physicians currently practicing medicine in the state. 27 (7) Representatives from the Cardiovascular Institute of the South. 28 (8) Representatives from Ochsner Health. 29 (9) Representatives from Our Lady of the Lake Regional Medical Center and its 30 affiliated campuses.

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- 1 (10) Representatives of physician-owned clinics in the state.
- 2 (11) Representatives of Willis-Knighton Medical Center.
- 3 (12) The Rural Hospital Coalition of Louisiana.
- 4 (13) Any persons, agencies, entities, or stakeholders that the joint committee deems
- 5 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)]

HCR 125 Engrossed

2021 Regular Session

Wright

Directs the House Committee on Commerce, or a subcommittee thereof, and the Senate Committee on Commerce, Consumer Protection, and International Affairs, or a subcommittee thereof, to meet and to function as a joint committee to study the role and effects of noncompetition agreements relative to physicians in the state.

Summary of Amendments Adopted by House

The House Floor Amendments to the original bill:

- 1. Add representatives from the Cardiovascular Institute of the South to the list of persons, agencies, and organizations the subcommittee shall consult.
- 2. Make technical changes.