

Legal Considerations for Healthcare Providers



Navigating the Physician and Non-Physician Relationship

Relationships between physicians and other healthcare professionals are highly regulated and can be complex to navigate. With non-physicians performing more services, including medical services with physician supervision, a variety of questions arise. What scope of services can be provided? What level of supervision is required? Can a non-physician have an ownership or related interest in the entity providing services? With licensure on the line, it is critical to understand the legal requirements of the state where your practice operates.

What is the Corporate Practice of Medicine Doctrine (CPOM)?

Aimed at protecting patients, the CPOM restricts private ownership of medical corporations in an effort to prevent interference with a physician's medical judgment. Although most states prohibit the corporate practice of medicine, every state provides exceptions. As with most laws, the exceptions vary by state.

Is It a Medical Service or Not?

What may seem like a simple question can be anything but. For example, a standard facial may be performed at a spa by a non-physician, but if the facial includes treatment that effects the tissue beneath the skin it crosses into the area of medical services. These nuances inform who can perform the service and with what level of physician supervision. What constitutes physician supervision is an additional area for consideration necessary to defining the physician/non-physician relationship and compensation.

Can Healthcare Providers Manage a Practice?

A Non-medical services provided by a healthcare professional require additional consideration with respect to corporate structure and compensation. Management services agreements are one way to afford a non-physician a greater stake in the practice. These agreements define the relationship and compensation associated with the provision of managerial and administrative services for a practice.

What Should I Know About Restrictive Covenants?

In the competitive medical field of today, healthcare providers should have a clear understanding of any restrictions before entering into a relationship with a physician or non-physician, switching practices, creating a new practice, forming a relationship with multiple practices or terminating a relationship. It is important to understand any potential restrictive covenants and their impact, as you may want to challenge or negotiate those terms.

Healthcare providers represented by Strassburger McKenna Gutnick and Gefsky

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