

Legislative Analysis



PLLC: PHYSICIANS & PHYSICIAN ASSISTANTS

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Senate Bill 26 (Substitute S-2)

Senate Bill 27 (Substitute S-2)

Senate Bill 28 (Substitute S-2)

Sponsor: Sen. Tony Stamas

House Committee: Health Policy

Senate Committee: Health Policy

Complete to 5-10-10

A SUMMARY OF SENATE BILLS 26-28 AS PASSED BY THE SENATE 3-16-10

Taken together, the bills would amend separate acts pertaining to a professional service corporation or professional limited liability company formed between physicians, podiatrists, and physician assistants (PAs); prohibit such entities from comprising only PAs; allow an exception, with some conditions, for PA-only PLLCs or professional service corporations in existence before the bill's effective date; and require certain disclosures on the license renewal form for PAs. The bills are tie-barred to each other.

Senate Bill 26 would amend the Public Health Code (MCL 333.17048) to do the following:

- Require – beginning on the bill's effective date – physicians or podiatrists who organized a professional service corporation or a professional limited liability company (PLLC) with physician assistants (PAs) to be shareholders in the same professional service corporation or members in the same PLLC as the physician assistants they supervise and require the supervising physicians to meet applicable requirements of their respective licensing acts.
- Require the physicians supervising PAs who, before the bill took effect, had organized a professional service corporation or a PLLC that had only PAs as shareholders or members to likewise meet applicable requirements of their respective licensing acts..
- Require the Department of Community Health to include on the license renewal form a space for a PA to disclose whether he or she was a shareholder in a professional service corporation or a member in a PLLC organized before the bill took effect.
- Require a PA who is a shareholder or member to disclose in the license renewal form whether any physicians or podiatrists were shareholders or members; the name and license number of the supervising physician or podiatrist; and whether the supervising physician or podiatrist was a shareholder or member in the same professional service corporation or PLLC as the PA.

Senate Bills 27 and 28 would make identical changes to the Professional Service Corporation Act (MCL 450.222 and 450.224) and the Michigan Limited Liability Company Act (MCL 450.4902 and 450.4904), respectively, to do the following:

- Include services rendered by a physician assistant in the definition of "professional service."
- Allow physicians and podiatrists to organize a PLLC with other physicians and podiatrists licensed under the Public Health Code.
- Allow physicians and podiatrists to organize a professional corporation or a PLLC with PAs.
- Prohibit – beginning on the bills' effective date – physician assistants from organizing a professional corporation or PLLC that would have only PAs as shareholders.

FISCAL IMPACT:

The bills would have no fiscal impact on the state or local units of government.

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