Ohio Legislative Service Commission

Bill Analysis

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Sub. H.B. 417

129th General Assembly
(As Passed by the House)

Reps. Grossman, Duffey, Thompson, Hall, Beck, Blair, Pelanda, Terhar, Patmon, Kozlowski, Reece, Hill, Hackett, Uecker, Yuko, Anielski, Antonio, Baker, Boose, Boyd, Butler, Garland, C. Hagan, Huffman, Johnson, Luckie, Lundy, Milkovich, Newbold, Ramos, Sykes, Winburn, Young, Batchelder

BILL SUMMARY

- Requires a health care entity that terminates a physician's employment to send notice to the physician's patients or have the physician send the notice.
- Permits a health care entity to require a physician to send notice of the physician's termination only if the entity provides the physician a list of the patients and their contact information.
- Allows a physician to sue a health care entity that violates the bill by failing to comply with the bill's requirements.
- Exempts, under specified circumstances, physicians and hospice medical directors from the bill's requirements.

CONTENT AND OPERATION

Notice by health care entity

The bill requires a health care entity that terminates the employment of a physician for any reason to provide notice of the termination to the physician's patients, unless the entity provides patient names and contact information to the physician and has the physician send the notice. A "termination" is the end of a physician's employment with a health care entity for any reason.[1] A rule of the State Medical Board

[1] R.C. 4731.228(A)(4) and (B).

currently requires a physician to send notice to a patient of the physician's intent to terminate the physician-patient relationship.[2]

For purposes of the bill, a health care entity is any of the following that employs a physician to provide physician services:[3] (1) a hospital registered with the Department of Health, (2) for-profit or nonprofit corporation, (3) limited liability company, (4) health insuring corporation, (6) partnership, or (7) professional association that, under Ohio law,[4] must be composed only of individuals authorized to perform a professional service.

A health care entity must send the notice to each patient who received direct patient care services from the physician whose employment was terminated in the two-year period immediately preceding the date of the termination. Only patients of the health care entity who received services from the physician are to receive the notice.[5]

Notice by physician

The bill permits a health care entity to require a physician, rather than the entity, to send the notice to the physician's patients. The entity must provide a list of patients treated and patient contact information to the physician.[6]

Content of notice

Each notice provided under the bill, whether by a health care entity or a physician, must be sent no later than ten business days after termination of the physician's employment and in accordance with rules adopted by the State Medical Board. The notice must include at least all of the following:[7]

(1) A notice to the patient that the physician will no longer be practicing as an employee of the health care entity;

(2) The physician's name and any information provided by the physician that the patient may use to contact the physician;

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[2] Ohio Administrative Code (O.A.C.) 4731-27-01.

[3] R.C. 4731.228(A)(1).

[4] R.C. Chapter 1785.

[5] R.C. 4731.228(C)(1).

[6] R.C. 4731.228(C)(2).

[7] R.C. 4731.228(D).

(3) The date on which the physician ceased or will cease to practice as an employee of the health care entity;

(4) Contact information for an alternative physician employed by the health care entity.

Cause of action

If a health care entity has violated the bill by failing to comply with the bill's requirements, the bill permits a physician to bring an action in equity (damages would not be available in this action) against that health care entity in the court of common pleas of the county where the alleged violation occurred.[8]

Exemptions

The bill exempts the following individuals from the bill's requirements:

- A physician rendering services to a patient on an episodic basis or in an emergency department or urgent care center, when the physician should not reasonably expect that related medical services will be rendered by the physician to the patient in the future;
- A medical director or other physician providing services in a similar capacity to a medical director to patients through a licensed hospice care program.[9]

Revision of State Medical Board rule

The bill requires the State Medical Board to revise its rule establishing the requirements for terminating a physician-patient relationship. Currently, termination of a physician-patient relationship other than in accordance with the rule constitutes "a departure from, or failure to conform to, minimal standards of care of similar practitioners under the same or similar circumstances, whether or not actual injury to a patient is established," and may subject the physician to disciplinary action by the Board.

The revised rule must require health care entities to provide notices in accordance with the bill. The rule must be revised not later than six months after the bill's effective date.[10]

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[8] R.C. 4731.228(E).

[9] R.C. 4731.228(F).

HISTORY

ACTION	DATE
Introduced	01-17-12
Reported, H. Commerce, Labor & Technology	04-24-12
Passed House (97-1)	05-09-12

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[10] Section 2 of the bill; O.A.C. 4731-27-01.