

10777

I N A S S E M B L Y

June 18, 2012

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Weprin) --
read once and referred to the Committee on Corporations, Authorities
and Commissions

AN ACT to amend the limited liability company law, the business corporation law, the partnership law, the public health law and the education law, in relation to allowing psychologists licensed under title VIII, article 153 of the education law to form limited liability companies

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Legislative intent. This bill would authorize physicians
2 and psychologists to form limited liability companies, professional
3 corporations and partnerships with one another. In the last two decades,
4 practice in and among the health professions has changed. Artificial
5 barriers in current law prohibit multidisciplinary practices, which
6 prevents physicians and other providers, including psychologists, from
7 co-owning a practice and collaborating and coordinating on patient care.
8 Such restraints should not prevail, as they are no longer in keeping
9 with best practices in modern health care which espouse the integration
10 of behavioral and physical health.

11 S 2. Subdivision (a) of section 1203 of the limited liability company
12 law, as separately amended by chapters 420 and 676 of the laws of 2002,
13 is amended to read as follows:

14 (a) Notwithstanding the education law or any other provision of law,
15 one or more professionals each of whom is authorized by law to render a
16 professional service within the state, or one or more professionals, at
17 least one of whom is authorized by law to render a professional service
18 within the state, may form, or cause to be formed, a professional
19 service limited liability company for pecuniary profit under this article for the purpose of rendering the professional service or services as
20 such professionals are authorized to practice. With respect to a professional service limited liability company formed to provide medical
21 services as such services are defined in article 131 of the education
22 law, each member of such limited liability company must be licensed
23
24

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets
[] is old law to be omitted.

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1 pursuant to article 131 of the education law to practice medicine in
2 this state. With respect to a professional service limited liability
3 company formed to provide dental services as such services are defined
4 in article 133 of the education law, each member of such limited liabil-
5 ity company must be licensed pursuant to article 133 of the education
6 law to practice dentistry in this state. With respect to a professional
7 service limited liability company formed to provide veterinary services
8 as such services are defined in article 135 of the education law, each
9 member of such limited liability company must be licensed pursuant to
10 article 135 of the education law to practice veterinary medicine in this
11 state. With respect to a professional service limited liability company
12 formed to provide professional engineering, land surveying, architec-
13 tural and/or landscape architectural services as such services are
14 defined in article 145, article 147 and article 148 of the education
15 law, each member of such limited liability company must be licensed
16 pursuant to article 145, article 147 and/or article 148 of the education
17 law to practice one or more of such professions in this state. With
18 respect to a professional service limited liability company formed to
19 provide licensed clinical social work services as such services are
20 defined in article 154 of the education law, each member of such limited
21 liability company shall be licensed pursuant to article 154 of the
22 education law to practice licensed clinical social work in this state.
23 With respect to a professional service limited liability company formed
24 to provide creative arts therapy services as such services are defined
25 in article 163 of the education law, each member of such limited liabil-
26 ity company must be licensed pursuant to article 163 of the education
27 law to practice creative arts therapy in this state. With respect to a
28 professional service limited liability company formed to provide
29 marriage and family therapy services as such services are defined in
30 article 163 of the education law, each member of such limited liability
31 company must be licensed pursuant to article 163 of the education law to
32 practice marriage and family therapy in this state. With respect to a
33 professional service limited liability company formed to provide mental
34 health counseling services as such services are defined in article 163
35 of the education law, each member of such limited liability company must
36 be licensed pursuant to article 163 of the education law to practice
37 mental health counseling in this state. With respect to a professional
38 service limited liability company formed to provide psychoanalysis
39 services as such services are defined in article 163 of the education
40 law, each member of such limited liability company must be licensed
41 pursuant to article 163 of the education law to practice psychoanalysis
42 in this state. In addition to engaging in such profession or
43 professions, a professional service limited liability company may engage
44 in any other business or activities as to which a limited liability
45 company may be formed under section two hundred one of this chapter.
46 Notwithstanding any other provision of this section, a professional
47 service limited liability company (i) authorized to practice law may
48 only engage in another profession or business or activities or (ii)
49 which is engaged in a profession or other business or activities other
50 than law may only engage in the practice of law, to the extent not
51 prohibited by any other law of this state or any rule adopted by the
52 appropriate appellate division of the supreme court or the court of
53 appeals. NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, WITH
54 RESPECT TO A LIMITED LIABILITY COMPANY FORMED TO PROVIDE INTEGRATED,
55 MULTIDISCIPLINARY MEDICAL AND PSYCHOLOGICAL SERVICES, AS SUCH SERVICES
56 ARE RESPECTIVELY DEFINED UNDER ARTICLES 131 AND 153 OF THE EDUCATION

1 LAW, (I) EACH MEMBER OF SUCH LIMITED LIABILITY COMPANY MUST BE LICENSED
2 PURSUANT TO ARTICLE 131 OR ARTICLE 153 OF THE EDUCATION LAW TO PRACTICE
3 HIS OR HER PROFESSION IN THIS STATE, (II) EACH MEMBER SHALL ONLY PRAC-
4 TICE HIS OR HER PROFESSION AS SPECIFIED IN HIS OR HER RESPECTIVE PROFES-
5 SIONAL ENABLING STATUTE UNDER ARTICLE 131 OR ARTICLE 153 OF THE EDU-
6 CATION LAW, AND (III) THE CLINICAL INTEGRATION OF PROFESSIONAL PRACTICES
7 WITHIN AN INTEGRATED, MULTIDISCIPLINARY ENTITY ORGANIZED UNDER THIS
8 SECTION DOES NOT ALTER, EXPAND OR CURTAIL THE SCOPE OF PRACTICE OF ANY
9 OF THE INDIVIDUALS LICENSED UNDER THE STATUTE OF HIS OR HER RESPECTIVE
10 PROFESSIONAL ENABLING LAW, PROVIDED THAT: (A) MEMBERS LICENSED UNDER
11 ARTICLE 153 OF THE EDUCATION LAW, SHALL NOT, DIRECTLY OR INDIRECTLY,
12 INTERFERE WITH THE CLINICAL JUDGMENT OR LEGITIMATE CLINICAL PRACTICE OF
13 A PROFESSIONAL LICENSED UNDER ARTICLE 131, (B) MEMBERS LICENSED UNDER
14 ARTICLE 131 SHALL NOT, DIRECTLY OR INDIRECTLY, INTERFERE WITH THE CLIN-
15 ICAL JUDGMENT OR LEGITIMATE CLINICAL PRACTICE OF A PROFESSIONAL LICENSED
16 UNDER ARTICLE 153, AND (C) INDIVIDUALS LICENSED UNDER ARTICLE 131 MAY
17 NOT ORDER OR DIRECT A PROFESSIONAL LICENSED UNDER ARTICLE 153 OF THE
18 EDUCATION LAW TO PRACTICE BEYOND THE SCOPE OF HIS OR HER LICENSE UNDER
19 ARTICLE 153 OF THE EDUCATION LAW, EVEN IF SUPERVISED DIRECTLY OR INDI-
20 RECTLY BY A PROFESSIONAL LICENSED UNDER ARTICLE 131.

21 S 3. Subdivision (b) of section 1207 of the limited liability company
22 law, as separately amended by chapters 420 and 676 of the laws of 2002,
23 is amended to read as follows:

24 (b) With respect to a professional service limited liability company
25 formed to provide medical services as such services are defined in arti-
26 cle 131 of the education law, each member of such limited liability
27 company must be licensed pursuant to article 131 of the education law to
28 practice medicine in this state. With respect to a professional service
29 limited liability company formed to provide dental services as such
30 services are defined in article 133 of the education law, each member of
31 such limited liability company must be licensed pursuant to article 133
32 of the education law to practice dentistry in this state. With respect
33 to a professional service limited liability company formed to provide
34 veterinary services as such services are defined in article 135 of the
35 education law, each member of such limited liability company must be
36 licensed pursuant to article 135 of the education law to practice veter-
37 inary medicine in this state. With respect to a professional service
38 limited liability company formed to provide professional engineering,
39 land surveying, architectural and/or landscape architectural services as
40 such services are defined in article 145, article 147 and article 148 of
41 the education law, each member of such limited liability company must be
42 licensed pursuant to article 145, article 147 and/or article 148 of the
43 education law to practice one or more of such professions in this state.
44 With respect to a professional service limited liability company formed
45 to provide licensed clinical social work services as such services are
46 defined in article 154 of the education law, each member of such limited
47 liability company shall be licensed pursuant to article 154 of the
48 education law to practice licensed clinical social work in this state.
49 With respect to a professional service limited liability company formed
50 to provide creative arts therapy services as such services are defined
51 in article 163 of the education law, each member of such limited liabil-
52 ity company must be licensed pursuant to article 163 of the education
53 law to practice creative arts therapy in this state. With respect to a
54 professional service limited liability company formed to provide
55 marriage and family therapy services as such services are defined in
56 article 163 of the education law, each member of such limited liability

1 company must be licensed pursuant to article 163 of the education law to
2 practice marriage and family therapy in this state. With respect to a
3 professional service limited liability company formed to provide mental
4 health counseling services as such services are defined in article 163
5 of the education law, each member of such limited liability company must
6 be licensed pursuant to article 163 of the education law to practice
7 mental health counseling in this state. With respect to a professional
8 service limited liability company formed to provide psychoanalysis
9 services as such services are defined in article 163 of the education
10 law, each member of such limited liability company must be licensed
11 pursuant to article 163 of the education law to practice psychoanalysis
12 in this state. NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION,
13 WITH RESPECT TO A PROFESSIONAL SERVICE LIMITED LIABILITY COMPANY FORMED
14 TO PROVIDE INTEGRATED, MULTIDISCIPLINARY MEDICAL AND PSYCHOLOGICAL
15 SERVICES, AS SUCH SERVICES ARE RESPECTIVELY DEFINED UNDER ARTICLES 131
16 AND 153 OF THE EDUCATION LAW, (I) EACH MEMBER OF SUCH LIMITED LIABILITY
17 COMPANY MUST BE LICENSED PURSUANT TO ARTICLE 131 OR ARTICLE 153 OF THE
18 EDUCATION LAW TO PRACTICE HIS OR HER PROFESSION IN THIS STATE, (II) EACH
19 MEMBER SHALL ONLY PRACTICE HIS OR HER PROFESSION AS SPECIFIED IN HIS OR
20 HER RESPECTIVE PROFESSIONAL ENABLING STATUTE UNDER ARTICLE 131 OR ARTI-
21 CLE 153 OF THE EDUCATION LAW, AND (III) THE CLINICAL INTEGRATION OF
22 PROFESSIONAL PRACTICES WITHIN AN INTEGRATED, MULTIDISCIPLINARY ENTITY
23 ORGANIZED UNDER THIS SECTION DOES NOT ALTER, EXPAND OR CURTAIL THE SCOPE
24 OF PRACTICE OF ANY OF THE INDIVIDUALS LICENSED UNDER THE STATUTE OF HIS
25 OR HER RESPECTIVE PROFESSIONAL ENABLING LAW, PROVIDED THAT: (A) MEMBERS
26 LICENSED UNDER ARTICLE 153 OF THE EDUCATION LAW, SHALL NOT, DIRECTLY OR
27 INDIRECTLY, INTERFERE WITH THE CLINICAL JUDGMENT OR LEGITIMATE CLINICAL
28 PRACTICE OF A PROFESSIONAL LICENSED UNDER ARTICLE 131, (B) MEMBERS
29 LICENSED UNDER ARTICLE 131 SHALL NOT, DIRECTLY OR INDIRECTLY, INTERFERE
30 WITH THE CLINICAL JUDGMENT OR LEGITIMATE CLINICAL PRACTICE OF A PROFES-
31 SIONAL LICENSED UNDER ARTICLE 153, AND (C) INDIVIDUALS LICENSED UNDER
32 ARTICLE 131 MAY NOT ORDER OR DIRECT A PROFESSIONAL LICENSED UNDER ARTI-
33 CLE 153 OF THE EDUCATION LAW TO PRACTICE BEYOND THE SCOPE OF HIS OR HER
34 LICENSE UNDER ARTICLE 153 OF THE EDUCATION LAW, EVEN IF SUPERVISED
35 DIRECTLY OR INDIRECTLY BY A PROFESSIONAL LICENSED UNDER ARTICLE 131.

36 S 4. Subdivision (a) of section 1301 of the limited liability company
37 law, as separately amended by chapters 420 and 676 of the laws of 2002,
38 is amended to read as follows:

39 (a) "Foreign professional service limited liability company" means a
40 professional service limited liability company, whether or not denomi-
41 nated as such, organized under the laws of a jurisdiction other than
42 this state, (i) each of whose members and managers, if any, is a profes-
43 sional authorized by law to render a professional service within this
44 state and who is or has been engaged in the practice of such profession
45 in such professional service limited liability company or a predecessor
46 entity, or will engage in the practice of such profession in the profes-
47 sional service limited liability company within thirty days of the date
48 such professional becomes a member, or each of whose members and manag-
49 ers, if any, is a professional at least one of such members is author-
50 ized by law to render a professional service within this state and who
51 is or has been engaged in the practice of such profession in such
52 professional service limited liability company or a predecessor entity,
53 or will engage in the practice of such profession in the professional
54 service limited liability company within thirty days of the date such
55 professional becomes a member, or (ii) authorized by, or holding a
56 license, certificate, registration or permit issued by the licensing

1 authority pursuant to, the education law to render a professional
2 service within this state; except that all members and managers, if any,
3 of a foreign professional service limited liability company that
4 provides health services in this state shall be licensed in this state.
5 With respect to a foreign professional service limited liability company
6 which provides veterinary services as such services are defined in arti-
7 cle 135 of the education law, each member of such foreign professional
8 service limited liability company shall be licensed pursuant to article
9 135 of the education law to practice veterinary medicine. With respect
10 to a foreign professional service limited liability company which
11 provides medical services as such services are defined in article 131 of
12 the education law, each member of such foreign professional service
13 limited liability company must be licensed pursuant to article 131 of
14 the education law to practice medicine in this state. With respect to a
15 foreign professional service limited liability company which provides
16 dental services as such services are defined in article 133 of the
17 education law, each member of such foreign professional service limited
18 liability company must be licensed pursuant to article 133 of the educa-
19 tion law to practice dentistry in this state. With respect to a foreign
20 professional service limited liability company which provides profes-
21 sional engineering, land surveying, architectural and/or landscape
22 architectural services as such services are defined in article 145,
23 article 147 and article 148 of the education law, each member of such
24 foreign professional service limited liability company must be licensed
25 pursuant to article 145, article 147 and/or article 148 of the education
26 law to practice one or more of such professions in this state. With
27 respect to a foreign professional service limited liability company
28 which provides licensed clinical social work services as such services
29 are defined in article 154 of the education law, each member of such
30 foreign professional service limited liability company shall be licensed
31 pursuant to article 154 of the education law to practice clinical social
32 work in this state. With respect to a foreign professional service
33 limited liability company which provides creative arts therapy services
34 as such services are defined in article 163 of the education law, each
35 member of such foreign professional service limited liability company
36 must be licensed pursuant to article 163 of the education law to prac-
37 tice creative arts therapy in this state. With respect to a foreign
38 professional service limited liability company which provides marriage
39 and family therapy services as such services are defined in article 163
40 of the education law, each member of such foreign professional service
41 limited liability company must be licensed pursuant to article 163 of
42 the education law to practice marriage and family therapy in this state.
43 With respect to a foreign professional service limited liability company
44 which provides mental health counseling services as such services are
45 defined in article 163 of the education law, each member of such foreign
46 professional service limited liability company must be licensed pursuant
47 to article 163 of the education law to practice mental health counseling
48 in this state. With respect to a foreign professional service limited
49 liability company which provides psychoanalysis services as such
50 services are defined in article 163 of the education law, each member of
51 such foreign professional service limited liability company must be
52 licensed pursuant to article 163 of the education law to practice
53 psychoanalysis in this state. WITH RESPECT TO A FOREIGN PROFESSIONAL
54 SERVICE LIMITED LIABILITY COMPANY FORMED TO PROVIDE INTEGRATED,
55 MULTI-DISCIPLINARY MEDICAL AND PSYCHOLOGICAL SERVICES, AS SUCH SERVICES
56 ARE RESPECTIVELY DEFINED UNDER ARTICLE 131 AND ARTICLE 153 OF THE EDUCA-

1 TION LAW, (I) EACH MEMBER OF SUCH LIMITED LIABILITY COMPANY MUST BE
2 LICENSED PURSUANT TO ARTICLE 131 OR ARTICLE 153 OF THE EDUCATION LAW TO
3 PRACTICE HIS OR HER PROFESSION IN THIS STATE, (II) EACH MEMBER SHALL
4 ONLY PRACTICE HIS OR HER PROFESSION AS SPECIFIED IN HIS OR HER RESPEC-
5 TIVE PROFESSIONAL ENABLING STATUTE UNDER ARTICLE 131 OR ARTICLE 153 OF
6 THE EDUCATION LAW, AND (III) THE CLINICAL INTEGRATION OF PROFESSIONAL
7 PRACTICES WITHIN AN INTEGRATED, MULTIDISCIPLINARY ENTITY ORGANIZED UNDER
8 THIS SECTION DOES NOT ALTER, EXPAND OR CURTAIL THE SCOPE OF PRACTICE OF
9 ANY OF THE INDIVIDUALS LICENSED UNDER THE STATUTE OF HIS OR HER RESPEC-
10 TIVE PROFESSIONAL ENABLING LAW, PROVIDED THAT: (A) MEMBERS LICENSED
11 UNDER ARTICLE 153 OF THE EDUCATION LAW, SHALL NOT, DIRECTLY OR INDIRECT-
12 LY, INTERFERE WITH THE CLINICAL JUDGMENT OR LEGITIMATE CLINICAL PRACTICE
13 OF A PROFESSIONAL LICENSED UNDER ARTICLE 131, (B) MEMBERS LICENSED UNDER
14 ARTICLE 131 SHALL NOT, DIRECTLY OR INDIRECTLY, INTERFERE WITH THE CLIN-
15 ICAL JUDGMENT OR LEGITIMATE CLINICAL PRACTICE OF A PROFESSIONAL LICENSED
16 UNDER ARTICLE 153, AND (C) INDIVIDUALS LICENSED UNDER ARTICLE 131 MAY
17 NOT ORDER OR DIRECT A PROFESSIONAL LICENSED UNDER ARTICLE 153 OF THE
18 EDUCATION LAW TO PRACTICE BEYOND THE SCOPE OF HIS OR HER LICENSE UNDER
19 ARTICLE 153 OF THE EDUCATION LAW, EVEN IF SUPERVISED DIRECTLY OR INDI-
20 RECTLY BY A PROFESSIONAL LICENSED UNDER ARTICLE 131.

21 S 5. Paragraph (a) of section 1503 of the business corporation law, as
22 amended by chapter 550 of the laws of 2011, is amended to read as
23 follows:

24 (a) Notwithstanding any other provision of law, (I) one or more indi-
25 viduals duly authorized by law to render the same professional service
26 within the state may organize, or cause to be organized, a professional
27 service corporation for pecuniary profit under this article for the
28 purpose of rendering the same professional service, except that one or
29 more individuals duly authorized by law to practice professional engi-
30 neering, architecture, landscape architecture or land surveying within
31 the state may organize, or cause to be organized, a professional service
32 corporation or a design professional service corporation for pecuniary
33 profit under this article for the purpose of rendering such professional
34 services as such individuals are authorized to practice, AND, (II) ONE
35 OR MORE INDIVIDUALS DULY LICENSED TO PRACTICE MEDICINE AND ONE OR MORE
36 PSYCHOLOGISTS LICENSED UNDER ARTICLE ONE HUNDRED FIFTY-THREE OF THE
37 EDUCATION LAW, WHO MAY BE BOARD CERTIFIED OR QUALIFIED BY HIS OR HER
38 RESPECTIVE PROFESSIONAL SPECIALTY BOARDS, MAY ORGANIZE, OR CAUSE TO BE
39 ORGANIZED, FOR BUSINESS PURPOSES ONLY, A MULTIDISCIPLINARY PROFESSIONAL
40 SERVICE CORPORATION FORMED FOR PECUNIARY PROFIT UNDER THIS ARTICLE FOR
41 THE PURPOSE OF RENDERING INTEGRATED AND NON-INTEGRATED PROFESSIONAL
42 SERVICES WITHIN SUCH A CORPORATION AS SUCH INDIVIDUALS ARE AUTHORIZED TO
43 PRACTICE INDIVIDUALLY IN HIS OR HER RESPECTIVE PROFESSIONS, PROVIDED
44 THAT THE CLINICAL INTEGRATION OF PROFESSIONAL PRACTICES WITHIN AN ENTITY
45 ORGANIZED UNDER THIS SECTION DOES NOT ALTER, EXPAND OR CURTAIL THE SCOPE
46 OF PRACTICE OF ANY OF THE INDIVIDUALS LICENSED UNDER THE STATUTE OF HIS
47 OR HER RESPECTIVE PROFESSIONAL ENABLING LAW; THAT THE CLINICAL JUDGMENT,
48 MANAGEMENT AND CLINICAL DECISION-MAKING OF ONE OR MORE ARTICLE ONE
49 HUNDRED THIRTY-ONE PROVIDERS IN AN INTEGRATED, MULTIDISCIPLINARY PRAC-
50 TICE SHALL BE CONTROLLING; THAT MEMBERS LICENSED UNDER ARTICLE ONE
51 HUNDRED FIFTY-THREE OF THE EDUCATION LAW, SHALL NOT, DIRECTLY OR INDI-
52 RECTLY, INTERFERE WITH THE CLINICAL JUDGMENT OR LEGITIMATE CLINICAL
53 PRACTICE OF A PROFESSIONAL LICENSED UNDER ARTICLE ONE HUNDRED
54 THIRTY-ONE; AND THAT INDIVIDUALS LICENSED UNDER ARTICLE ONE HUNDRED
55 THIRTY-ONE MAY NOT ORDER OR DIRECT A PROFESSIONAL LICENSED UNDER ARTICLE
56 ONE HUNDRED FIFTY-THREE OF THE EDUCATION LAW TO PRACTICE BEYOND THE

1 SCOPE OF HIS OR HER LICENSE UNDER ARTICLE ONE HUNDRED FIFTY-THREE OF THE
2 EDUCATION LAW IN A PROFESSIONAL SERVICE LIMITED LIABILITY COMPANY, EVEN
3 IF SUPERVISED DIRECTLY OR INDIRECTLY BY A PROFESSIONAL LICENSED UNDER
4 ARTICLE ONE HUNDRED THIRTY-ONE.

5 S 6. Subdivision (q) of section 121-1500 of the partnership law, as
6 separately amended by chapters 420 and 676 of the laws of 2002, is
7 amended to read as follows:

8 (q) Each partner of a registered limited liability partnership formed
9 to provide medical services in this state must be licensed pursuant to
10 article 131 of the education law to practice medicine in this state and
11 each partner of a registered limited liability partnership formed to
12 provide dental services in this state must be licensed pursuant to arti-
13 cle 133 of the education law to practice dentistry in this state. Each
14 partner of a registered limited liability partnership formed to provide
15 veterinary services in this state must be licensed pursuant to article
16 135 of the education law to practice veterinary medicine in this state.
17 Each partner of a registered limited liability partnership formed to
18 provide professional engineering, land surveying, architectural and/or
19 landscape architectural services in this state must be licensed pursuant
20 to article 145, article 147 and/or article 148 of the education law to
21 practice one or more of such professions in this state. Each partner of
22 a registered limited liability partnership formed to provide licensed
23 clinical social work services in this state must be licensed pursuant to
24 article 154 of the education law to practice clinical social work in
25 this state. Each partner of a registered limited liability partnership
26 formed to provide creative arts therapy services in this state must be
27 licensed pursuant to article 163 of the education law to practice crea-
28 tive arts therapy in this state. Each partner of a registered limited
29 liability partnership formed to provide marriage and family therapy
30 services in this state must be licensed pursuant to article 163 of the
31 education law to practice marriage and family therapy in this state.
32 Each partner of a registered limited liability partnership formed to
33 provide mental health counseling services in this state must be licensed
34 pursuant to article 163 of the education law to practice mental health
35 counseling in this state. Each partner of a registered limited liability
36 partnership formed to provide psychoanalysis services in this state must
37 be licensed pursuant to article 163 of the education law to practice
38 psychoanalysis in this state. EACH PARTNER OF A REGISTERED LIMITED
39 LIABILITY PARTNERSHIP FORMED TO PROVIDE INTEGRATED, MULTIDISCIPLINARY
40 MEDICAL AND PSYCHOLOGICAL SERVICES, AS SUCH SERVICES ARE RESPECTIVELY
41 DEFINED UNDER ARTICLE 131 AND ARTICLE 153 OF THE EDUCATION LAW, (I) MUST
42 BE LICENSED PURSUANT TO ARTICLE 131 OR ARTICLE 153 OF THE EDUCATION LAW
43 TO PRACTICE HIS OR HER PROFESSION IN THIS STATE, (II) SHALL ONLY PRAC-
44 TICE HIS OR HER PROFESSION AS SPECIFIED IN HIS OR HER RESPECTIVE PROFES-
45 SIONAL ENABLING STATUTE UNDER ARTICLE 131 OR ARTICLE 153 OF THE EDUCA-
46 TION LAW, AND (III) THE CLINICAL INTEGRATION OF PROFESSIONAL PRACTICES
47 WITHIN AN INTEGRATED, MULTI-DISCIPLINARY ENTITY ORGANIZED UNDER THIS
48 SECTION DOES NOT ALTER, EXPAND OR CURTAIL THE SCOPE OF PRACTICE OF ANY
49 OF THE INDIVIDUALS LICENSED UNDER THE STATUTE OF HIS OR HER RESPECTIVE
50 PROFESSIONAL ENABLING LAW, PROVIDED THAT: (A) MEMBERS LICENSED UNDER
51 ARTICLE 153 OF THE EDUCATION LAW, SHALL NOT, DIRECTLY OR INDIRECTLY,
52 INTERFERE WITH THE CLINICAL JUDGMENT OR LEGITIMATE CLINICAL PRACTICE OF
53 A PROFESSIONAL LICENSED UNDER ARTICLE 131, (B) MEMBERS LICENSED UNDER
54 ARTICLE 131 SHALL NOT, DIRECTLY OR INDIRECTLY, INTERFERE WITH THE CLIN-
55 ICAL JUDGMENT OR LEGITIMATE CLINICAL PRACTICE OF A PROFESSIONAL LICENSED
56 UNDER ARTICLE 153, AND (C) INDIVIDUALS LICENSED UNDER ARTICLE 131 MAY

1 NOT ORDER OR DIRECT A PROFESSIONAL LICENSED UNDER ARTICLE 153 OF THE
2 EDUCATION LAW TO PRACTICE BEYOND THE SCOPE OF HIS OR HER LICENSE UNDER
3 ARTICLE 153 OF THE EDUCATION LAW, EVEN IF SUPERVISED DIRECTLY OR INDI-
4 RECTLY BY A PROFESSIONAL LICENSED UNDER ARTICLE 131.

5 S 7. Subdivision (q) of section 121-1502 of the partnership law, as
6 amended by chapter 230 of the laws of 2004, is amended to read as
7 follows:

8 (q) Each partner of a foreign limited liability partnership which
9 provides medical services in this state must be licensed pursuant to
10 article 131 of the education law to practice medicine in the state and
11 each partner of a foreign limited liability partnership which provides
12 dental services in the state must be licensed pursuant to article 133 of
13 the education law to practice dentistry in this state. Each partner of a
14 foreign limited liability partnership which provides veterinary service
15 in the state shall be licensed pursuant to article 135 of the education
16 law to practice veterinary medicine in this state. Each partner of a
17 foreign limited liability partnership which provides professional engi-
18 neering, land surveying, architectural and/or landscape architectural
19 services in this state must be licensed pursuant to article 145, article
20 147 and/or article 148 of the education law to practice one or more of
21 such professions. Each partner of a foreign limited liability partner-
22 ship which provides licensed clinical social work services in this state
23 must be licensed pursuant to article 154 of the education law to prac-
24 tice licensed clinical social work in this state. Each partner of a
25 foreign limited liability partnership which provides creative arts ther-
26 apy services in this state must be licensed pursuant to article 163 of
27 the education law to practice creative arts therapy in this state. Each
28 partner of a foreign limited liability partnership which provides
29 marriage and family therapy services in this state must be licensed
30 pursuant to article 163 of the education law to practice marriage and
31 family therapy in this state. Each partner of a foreign limited liabil-
32 ity partnership which provides mental health counseling services in this
33 state must be licensed pursuant to article 163 of the education law to
34 practice mental health counseling in this state. Each partner of a
35 foreign limited liability partnership which provides psychoanalysis
36 services in this state must be licensed pursuant to article 163 of the
37 education law to practice psychoanalysis in this state. EACH PARTNER OF
38 A FOREIGN LIMITED LIABILITY PARTNERSHIP FORMED TO PROVIDE INTEGRATED,
39 MULTIDISCIPLINARY MEDICAL AND PSYCHOLOGICAL SERVICES, AS SUCH SERVICES
40 ARE DEFINED UNDER ARTICLE 131 OR ARTICLE 153 OF THE EDUCATION LAW, (I)
41 MUST BE LICENSED PURSUANT TO ARTICLE 131 OR ARTICLE 153 OF THE EDUCATION
42 LAW TO PRACTICE HIS OR HER PROFESSION IN THIS STATE, (II) SHALL ONLY
43 PRACTICE HIS OR HER PROFESSION AS SPECIFIED IN HIS OR HER RESPECTIVE
44 PROFESSIONAL ENABLING STATUTE UNDER ARTICLE 131 OR ARTICLE 153 OF THE
45 EDUCATION LAW, AND (III) THE CLINICAL INTEGRATION OF PROFESSIONAL PRAC-
46 TICES WITHIN AN INTEGRATED, MULTIDISCIPLINARY ENTITY ORGANIZED UNDER
47 THIS SECTION DOES NOT ALTER, EXPAND OR CURTAIL THE SCOPE OF PRACTICE OF
48 ANY OF THE INDIVIDUALS LICENSED UNDER THE STATUTE OF HIS OR HER RESPEC-
49 TIVE PROFESSIONAL ENABLING LAW, PROVIDED THAT: (A) MEMBERS NOT LICENSED
50 UNDER ARTICLE 131 OF THE EDUCATION LAW, SHALL NOT, DIRECTLY OR INDIRECT-
51 LY, INTERFERE WITH THE CLINICAL JUDGMENT OR LEGITIMATE CLINICAL PRACTICE
52 OF A PROFESSIONAL LICENSED UNDER ARTICLE 131, (B) MEMBERS LICENSED UNDER
53 ARTICLE 131 SHALL NOT, DIRECTLY OR INDIRECTLY, INTERFERE WITH THE CLIN-
54 ICAL JUDGMENT OR LEGITIMATE CLINICAL PRACTICE OF A PROFESSIONAL LICENSED
55 UNDER ARTICLE 153, AND (C) INDIVIDUALS LICENSED UNDER ARTICLE 131 MAY
56 NOT ORDER OR DIRECT A PROFESSIONAL LICENSED UNDER ARTICLE 153 OF THE

1 EDUCATION LAW TO PRACTICE BEYOND THE SCOPE OF HIS OR HER LICENSE UNDER
2 ARTICLE 153 OF THE EDUCATION LAW, EVEN IF SUPERVISED DIRECTLY OR INDI-
3 RECTLY BY A PROFESSIONAL LICENSED UNDER ARTICLE 131.

4 S 8. Subdivision 1 of section 2801 of the public health law, as sepa-
5 rately amended by chapters 297 and 416 of the laws of 1983, is amended
6 to read as follows:

7 1. "Hospital" means a facility or institution engaged principally in
8 providing services by or under the supervision of a physician or, in the
9 case of a dental clinic or dental dispensary, of a dentist, for the
10 prevention, diagnosis or treatment of human disease, pain, injury,
11 deformity or physical condition, including, but not limited to, a gener-
12 al hospital, public health center, diagnostic center, treatment center,
13 dental clinic, dental dispensary, rehabilitation center other than a
14 facility used solely for vocational rehabilitation, nursing home, tuber-
15 culosis hospital, chronic disease hospital, maternity hospital, lying-
16 in-asylum, out-patient department, out-patient lodge, dispensary and a
17 laboratory or central service facility serving one or more such insti-
18 tutions, but the term hospital shall not include an institution, sani-
19 tarium or other facility engaged principally in providing services for
20 the prevention, diagnosis or treatment of mental disability and which is
21 subject to the powers of visitation, examination, inspection and inves-
22 tigation of the department of mental hygiene except for those distinct
23 parts of such a facility which provide hospital service. The provisions
24 of this article shall not apply to a facility or institution engaged
25 principally in providing services by or under the supervision of the
26 bona fide members and adherents of a recognized religious organization
27 whose teachings include reliance on spiritual means through prayer alone
28 for healing in the practice of the religion of such organization and
29 where services are provided in accordance with those teachings OR TO A
30 BUSINESS CORPORATION, LIMITED LIABILITY CORPORATION OR PARTNERSHIP
31 BETWEEN A MEDICAL DOCTOR AND A DULY LICENSED HEALTHCARE PROFESSIONAL
32 UNDER TITLE VIII OF THE EDUCATION LAW.

33 S 9. Subdivision 19 of section 6530 of the education law, as added by
34 chapter 606 of the laws of 1991, is amended to read as follows:

35 19. Permitting any person to share in the fees for professional
36 services, other than: a partner, employee, associate in a professional
37 firm or corporation, professional subcontractor or consultant authorized
38 to practice medicine, or a legally authorized trainee practicing under
39 the supervision of a licensee OR A PSYCHOLOGIST PROVIDING PROFESSIONAL
40 SERVICES IN THE SAME PRACTICE. This prohibition shall include any
41 arrangement or agreement whereby the amount received in payment for
42 furnishing space, facilities, equipment or personnel services used by a
43 licensee constitutes a percentage of, or is otherwise dependent upon,
44 the income or receipts of the licensee from such practice, except as
45 otherwise provided by law with respect to a facility licensed pursuant
46 to article twenty-eight of the public health law or article thirteen of
47 the mental hygiene law;

48 S 10. This act shall take effect immediately.