

S T A T E O F N E W Y O R K

7460--A

I N S E N A T E

May 22, 2012

Introduced by Sen. McDONALD -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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 arti-
20 cle for the purpose of rendering the professional service or services as
21 such professionals are authorized to practice. With respect to a profes-
22 sional service limited liability company formed to provide medical
23 services as such services are defined in article 131 of the education

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

LBD15915-02-2

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

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

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

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

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

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

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

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

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

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

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

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

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

(q) Each partner of a registered limited liability partnership formed to provide medical services in this state must be licensed pursuant to article 131 of the education law to practice medicine in this state and each partner of a registered limited liability partnership formed to provide dental services in this state must be licensed pursuant to article 133 of the education law to practice dentistry in this state. Each partner of a registered limited liability partnership formed to provide veterinary services in this state must be licensed pursuant to article 135 of the education law to practice veterinary medicine in this state. Each partner of a registered limited liability partnership formed to provide professional engineering, land surveying, architectural and/or landscape architectural services in this state must be licensed pursuant to article 145, article 147 and/or article 148 of the education law to practice one or more of such professions in this state. Each partner of a registered limited liability partnership formed to provide licensed clinical social work services in this state must be licensed pursuant to article 154 of the education law to practice clinical social work in this state. Each partner of a registered limited liability partnership formed to provide creative arts therapy services in this state must be licensed pursuant to article 163 of the education law to practice creative arts therapy in this state. Each partner of a registered limited liability partnership formed to provide marriage and family therapy services in this state must be licensed pursuant to article 163 of the education law to practice marriage and family therapy in this state. Each partner of a registered limited liability partnership formed to provide mental health counseling services in this state must be licensed pursuant to article 163 of the education law to practice mental health counseling in this state. Each partner of a registered limited liability partnership formed to provide psychoanalysis services in this state must be licensed pursuant to article 163 of the education law to practice psychoanalysis in this state. EACH PARTNER OF A REGISTERED LIMITED LIABILITY PARTNERSHIP FORMED TO PROVIDE INTEGRATED, MULTIDISCIPLINARY MEDICAL AND PSYCHOLOGICAL SERVICES, AS SUCH SERVICES ARE RESPECTIVELY DEFINED UNDER ARTICLE 131 AND ARTICLE 153 OF THE EDUCATION LAW, (I) MUST BE LICENSED PURSUANT TO ARTICLE 131 OR ARTICLE 153 OF THE EDUCATION LAW TO PRACTICE HIS OR HER PROFESSION IN THIS STATE, (II) SHALL ONLY PRACTICE HIS OR HER PROFESSION AS SPECIFIED IN HIS OR HER RESPECTIVE PROFESSIONAL ENABLING STATUTE UNDER ARTICLE 131 OR ARTICLE 153 OF THE EDUCATION LAW, AND (III) THE CLINICAL INTEGRATION OF PROFESSIONAL PRACTICES WITHIN AN INTEGRATED, MULTI-DISCIPLINARY ENTITY ORGANIZED UNDER THIS SECTION DOES NOT ALTER, EXPAND OR CURTAIL THE SCOPE OF PRACTICE OF ANY OF THE INDIVIDUALS LICENSED UNDER THE STATUTE OF HIS OR HER RESPECTIVE PROFESSIONAL ENABLING LAW, PROVIDED THAT: (A) MEMBERS LICENSED UNDER ARTICLE 153 OF THE EDUCATION LAW, SHALL NOT, DIRECTLY OR INDIRECTLY, INTERFERE WITH THE CLINICAL JUDGMENT OR LEGITIMATE CLINICAL PRACTICE OF A PROFESSIONAL LICENSED UNDER ARTICLE 131, (B) MEMBERS LICENSED UNDER ARTICLE 131 SHALL NOT, DIRECTLY OR INDIRECTLY, INTERFERE WITH THE CLINICAL JUDGMENT OR LEGITIMATE CLINICAL PRACTICE OF A PROFESSIONAL LICENSED

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

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

9 (q) Each partner of a foreign limited liability partnership which
10 provides medical services in this state must be licensed pursuant to
11 article 131 of the education law to practice medicine in the state and
12 each partner of a foreign limited liability partnership which provides
13 dental services in the state must be licensed pursuant to article 133 of
14 the education law to practice dentistry in this state. Each partner of a
15 foreign limited liability partnership which provides veterinary service
16 in the state shall be licensed pursuant to article 135 of the education
17 law to practice veterinary medicine in this state. Each partner of a
18 foreign limited liability partnership which provides professional engi-
19 neering, land surveying, architectural and/or landscape architectural
20 services in this state must be licensed pursuant to article 145, article
21 147 and/or article 148 of the education law to practice one or more of
22 such professions. Each partner of a foreign limited liability partner-
23 ship which provides licensed clinical social work services in this state
24 must be licensed pursuant to article 154 of the education law to prac-
25 tice licensed clinical social work in this state. Each partner of a
26 foreign limited liability partnership which provides creative arts ther-
27 apy services in this state must be licensed pursuant to article 163 of
28 the education law to practice creative arts therapy in this state. Each
29 partner of a foreign limited liability partnership which provides
30 marriage and family therapy services in this state must be licensed
31 pursuant to article 163 of the education law to practice marriage and
32 family therapy in this state. Each partner of a foreign limited liabil-
33 ity partnership which provides mental health counseling services in this
34 state must be licensed pursuant to article 163 of the education law to
35 practice mental health counseling in this state. Each partner of a
36 foreign limited liability partnership which provides psychoanalysis
37 services in this state must be licensed pursuant to article 163 of the
38 education law to practice psychoanalysis in this state. EACH PARTNER OF
39 A FOREIGN LIMITED LIABILITY PARTNERSHIP FORMED TO PROVIDE INTEGRATED,
40 MULTIDISCIPLINARY MEDICAL AND PSYCHOLOGICAL SERVICES, AS SUCH SERVICES
41 ARE DEFINED UNDER ARTICLE 131 OR ARTICLE 153 OF THE EDUCATION LAW, (I)
42 MUST BE LICENSED PURSUANT TO ARTICLE 131 OR ARTICLE 153 OF THE EDUCATION
43 LAW TO PRACTICE HIS OR HER PROFESSION IN THIS STATE, (II) SHALL ONLY
44 PRACTICE HIS OR HER PROFESSION AS SPECIFIED IN HIS OR HER RESPECTIVE
45 PROFESSIONAL ENABLING STATUTE UNDER ARTICLE 131 OR ARTICLE 153 OF THE
46 EDUCATION LAW, AND (III) THE CLINICAL INTEGRATION OF PROFESSIONAL PRAC-
47 TICES WITHIN AN INTEGRATED, MULTIDISCIPLINARY ENTITY ORGANIZED UNDER
48 THIS SECTION DOES NOT ALTER, EXPAND OR CURTAIL THE SCOPE OF PRACTICE OF
49 ANY OF THE INDIVIDUALS LICENSED UNDER THE STATUTE OF HIS OR HER RESPEC-
50 TIVE PROFESSIONAL ENABLING LAW, PROVIDED THAT: (A) MEMBERS NOT LICENSED
51 UNDER ARTICLE 131 OF THE EDUCATION LAW, SHALL NOT, DIRECTLY OR INDIRECT-
52 LY, INTERFERE WITH THE CLINICAL JUDGMENT OR LEGITIMATE CLINICAL PRACTICE
53 OF 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 8. Subdivision 1 of section 2801 of the public health law, as sepa-
6 rately amended by chapters 297 and 416 of the laws of 1983, is amended
7 to read as follows:

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

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

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

49 S 10. This act shall take effect immediately.