

3481

2013-2014 Regular Sessions

I N S E N A T E

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Introduced by Sens. RANZENHOFER, SAVINO -- read twice and ordered printed, and when printed to be committed 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 profes-
21

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

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

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

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

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

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

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

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

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

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

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

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

THIRTY-ONE; AND THAT INDIVIDUALS LICENSED UNDER ARTICLE ONE HUNDRED 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 UNDER ARTICLE 153, AND (C) INDIVIDUALS LICENSED UNDER ARTICLE 131 MAY NOT ORDER OR DIRECT A PROFESSIONAL LICENSED UNDER ARTICLE 153 OF THE EDUCATION LAW TO PRACTICE BEYOND THE SCOPE OF HIS OR HER LICENSE UNDER ARTICLE 153 OF THE EDUCATION LAW, EVEN IF SUPERVISED DIRECTLY OR INDIRECTLY BY A PROFESSIONAL LICENSED UNDER ARTICLE 131.

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

(q) Each partner of a foreign limited liability partnership which provides medical services in this state must be licensed pursuant to article 131 of the education law to practice medicine in the state and each partner of a foreign limited liability partnership which provides dental services in the state must be licensed pursuant to article 133 of the education law to practice dentistry in this state. Each partner of a foreign limited liability partnership which provides veterinary service in the state shall be licensed pursuant to article 135 of the education law to practice veterinary medicine in this state. Each partner of a foreign limited liability partnership which provides 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. Each partner of a foreign limited liability partnership which provides licensed clinical social work services in this state must be licensed pursuant to article 154 of the education law to practice licensed clinical social work in this state. Each partner of a foreign limited liability partnership which provides 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 foreign limited liability partnership which provides 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 foreign limited liability partnership which provides 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 foreign limited liability partnership which provides 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 FOREIGN LIMITED LIABILITY PARTNERSHIP FORMED TO PROVIDE INTEGRATED, MULTIDISCIPLINARY MEDICAL AND PSYCHOLOGICAL SERVICES, AS SUCH SERVICES ARE DEFINED UNDER ARTICLE 131 OR 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, MULTIDISCIPLINARY 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 NOT LICENSED UNDER ARTICLE 131 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 CLIN-

ICAL JUDGMENT OR LEGITIMATE CLINICAL PRACTICE OF A PROFESSIONAL LICENSED UNDER ARTICLE 153, AND (C) INDIVIDUALS LICENSED UNDER ARTICLE 131 MAY NOT ORDER OR DIRECT A PROFESSIONAL LICENSED UNDER ARTICLE 153 OF THE EDUCATION LAW TO PRACTICE BEYOND THE SCOPE OF HIS OR HER LICENSE UNDER ARTICLE 153 OF THE EDUCATION LAW, EVEN IF SUPERVISED DIRECTLY OR INDIRECTLY BY A PROFESSIONAL LICENSED UNDER ARTICLE 131.

S 8. Subdivision 1 of section 2801 of the public health law, as separately amended by chapters 297 and 416 of the laws of 1983, is amended to read as follows:

1. "Hospital" means a facility or institution engaged principally in providing services by or under the supervision of a physician or, in the case of a dental clinic or dental dispensary, of a dentist, for the prevention, diagnosis or treatment of human disease, pain, injury, deformity or physical condition, including, but not limited to, a general hospital, public health center, diagnostic center, treatment center, dental clinic, dental dispensary, rehabilitation center other than a facility used solely for vocational rehabilitation, nursing home, tuberculosis hospital, chronic disease hospital, maternity hospital, lying-in-asylum, out-patient department, out-patient lodge, dispensary and a laboratory or central service facility serving one or more such institutions, but the term hospital shall not include an institution, sanitarium or other facility engaged principally in providing services for the prevention, diagnosis or treatment of mental disability and which is subject to the powers of visitation, examination, inspection and investigation of the department of mental hygiene except for those distinct parts of such a facility which provide hospital service. The provisions of this article shall not apply to a facility or institution engaged principally in providing services by or under the supervision of the bona fide members and adherents of a recognized religious organization whose teachings include reliance on spiritual means through prayer alone for healing in the practice of the religion of such organization and where services are provided in accordance with those teachings OR TO A BUSINESS CORPORATION, LIMITED LIABILITY CORPORATION OR PARTNERSHIP BETWEEN A MEDICAL DOCTOR AND A DULY LICENSED HEALTHCARE PROFESSIONAL UNDER TITLE VIII OF THE EDUCATION LAW.

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

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

S 10. This act shall take effect immediately.