

STATE OF NEW YORK

4227

2019-2020 Regular Sessions

IN ASSEMBLY

February 1, 2019

Introduced by M. of A. WEPRIN, BUCHWALD -- Multi-Sponsored by -- M. of A. PAULIN, WALKER -- read once and referred to the Committee on Higher Education

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 § 2. Subdivision (a) of section 1203 of the limited liability company
12 law, as amended by chapter 475 of the laws of 2014, is amended to read
13 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-

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, landscape architectural and/or geological services as such
17 services are defined in article 145, article 147 and article 148 of the
18 education law, each member of such limited liability company must be
19 licensed pursuant to article 145, article 147 and/or article 148 of the
20 education law to practice one or more of such professions in this state.
21 With respect to a professional service limited liability company formed
22 to 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. With respect to a professional service limited liability
46 company formed to provide applied behavior analysis services as such
47 services are defined in article 167 of the education law, each member of
48 such limited liability company must be licensed or certified pursuant to
49 article 167 of the education law to practice applied behavior analysis
50 in this state. In addition to engaging in such profession or
51 professions, a professional service limited liability company may engage
52 in any other business or activities as to which a limited liability
53 company may be formed under section two hundred one of this chapter.
54 Notwithstanding any other provision of this section, a professional
55 service limited liability company (i) authorized to practice law may
56 only engage in another profession or business or activities or (ii)

1 which is engaged in a profession or other business or activities other
2 than law may only engage in the practice of law, to the extent not
3 prohibited by any other law of this state or any rule adopted by the
4 appropriate appellate division of the supreme court or the court of
5 appeals. Notwithstanding any other provision of this section, with
6 respect to a limited liability company formed to provide integrated,
7 multidisciplinary medical and psychological services, as such services
8 are respectively defined under articles 131 and 153 of the education
9 law, (i) each member of such limited liability company must be licensed
10 pursuant to article 131 or article 153 of the education law to practice
11 his or her profession in this state, (ii) each member shall only prac-
12 tice his or her profession as specified in his or her respective profes-
13 sional enabling statute under article 131 or article 153 of the educa-
14 tion law, and (iii) the clinical integration of professional practices
15 within an integrated, multidisciplinary entity organized under this
16 section does not alter, expand or curtail the scope of practice of any
17 of the individuals licensed under the statute of his or her respective
18 professional enabling law, provided that: (a) members licensed under
19 article 153 of the education law, shall not, directly or indirectly,
20 interfere with the clinical judgment or legitimate clinical practice of
21 a professional licensed under article 131, (b) members licensed under
22 article 131 shall not, directly or indirectly, interfere with the clin-
23 ical judgment or legitimate clinical practice of a professional licensed
24 under article 153, and (c) individuals licensed under article 131 may
25 not order or direct a professional licensed under article 153 of the
26 education law to practice beyond the scope of his or her license under
27 article 153 of the education law, even if supervised directly or indi-
28 rectly by a professional licensed under article 131.

29 § 3. Subdivision (b) of section 1207 of the limited liability company
30 law, as amended by chapter 475 of the laws of 2014, is amended to read
31 as follows:

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

1 ical social work in this state. With respect to a professional service
2 limited liability company formed to provide creative arts therapy
3 services as such services are defined in article 163 of the education
4 law, each member of such limited liability company must be licensed
5 pursuant to article 163 of the education law to practice creative arts
6 therapy in this state. With respect to a professional service limited
7 liability company formed to provide marriage and family therapy services
8 as such services are defined in article 163 of the education law, each
9 member of such limited liability company must be licensed pursuant to
10 article 163 of the education law to practice marriage and family therapy
11 in this state. With respect to a professional service limited liability
12 company formed to provide mental health counseling services as such
13 services are defined in article 163 of the education law, each member of
14 such limited liability company must be licensed pursuant to article 163
15 of the education law to practice mental health counseling in this state.
16 With respect to a professional service limited liability company formed
17 to provide psychoanalysis services as such services are defined in arti-
18 cle 163 of the education law, each member of such limited liability
19 company must be licensed pursuant to article 163 of the education law to
20 practice psychoanalysis in this state. With respect to a professional
21 service limited liability company formed to provide applied behavior
22 analysis services as such services are defined in article 167 of the
23 education law, each member of such limited liability company must be
24 licensed or certified pursuant to article 167 of the education law to
25 practice applied behavior analysis in this state. Notwithstanding any
26 other provision of this section, with respect to a professional service
27 limited liability company formed to provide integrated, multidisciplinary
28 medical and psychological services, as such services are respec-
29 tively defined under articles 131 and 153 of the education law, (i) each
30 member of such limited liability company must be licensed pursuant to
31 article 131 or article 153 of the education law to practice his or her
32 profession in this state, (ii) each member shall only practice his or
33 her profession as specified in his or her respective professional enab-
34 ling statute under article 131 or article 153 of the education law, and
35 (iii) the clinical integration of professional practices within an inte-
36 grated, multidisciplinary entity organized under this section does not
37 alter, expand or curtail the scope of practice of any of the individuals
38 licensed under the statute of his or her respective professional enab-
39 ling law, provided that: (a) members licensed under article 153 of the
40 education law, shall not, directly or indirectly, interfere with the
41 clinical judgment or legitimate clinical practice of a professional
42 licensed under article 131, (b) members licensed under article 131 shall
43 not, directly or indirectly, interfere with the clinical judgment or
44 legitimate clinical practice of a professional licensed under article
45 153, and (c) individuals licensed under article 131 may not order or
46 direct a professional licensed under article 153 of the education law to
47 practice beyond the scope of his or her license under article 153 of the
48 education law, even if supervised directly or indirectly by a profes-
49 sional licensed under article 131.

50 § 4. Subdivision (a) of section 1301 of the limited liability company
51 law, as amended by chapter 475 of the laws of 2014, is amended to read
52 as follows:

53 (a) "Foreign professional service limited liability company" means a
54 professional service limited liability company, whether or not denomi-
55 nated as such, organized under the laws of a jurisdiction other than
56 this state, (i) each of whose members and managers, if any, is a profes-

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

1 With respect to a foreign professional service limited liability company
2 which provides mental health counseling services as such services are
3 defined in article 163 of the education law, each member of such foreign
4 professional service limited liability company must be licensed pursuant
5 to article 163 of the education law to practice mental health counseling
6 in this state. With respect to a foreign professional service limited
7 liability company which provides psychoanalysis services as such
8 services are defined in article 163 of the education law, each member of
9 such foreign professional service limited liability company must be
10 licensed pursuant to article 163 of the education law to practice
11 psychoanalysis in this state. With respect to a foreign professional
12 service limited liability company which provides applied behavior analy-
13 sis services as such services are defined in article 167 of the educa-
14 tion law, each member of such foreign professional service limited
15 liability company must be licensed or certified pursuant to article 167
16 of the education law to practice applied behavior analysis in this
17 state. With respect to a foreign professional service limited liability
18 company formed to provide integrated, multidisciplinary medical and
19 psychological services, as such services are respectively defined under
20 article 131 and article 153 of the education law, (i) each member of
21 such limited liability company must be licensed pursuant to article 131
22 or article 153 of the education law to practice his or her profession in
23 this state, (ii) each member shall only practice his or her profession
24 as specified in his or her respective professional enabling statute
25 under article 131 or article 153 of the education law, and (iii) the
26 clinical integration of professional practices within an integrated,
27 multidisciplinary entity organized under this section does not alter,
28 expand or curtail the scope of practice of any of the individuals
29 licensed under the statute of his or her respective professional enabl-
30 ing law, provided that: (a) members licensed under article 153 of the
31 education law, shall not, directly or indirectly, interfere with the
32 clinical judgment or legitimate clinical practice of a professional
33 licensed under article 131, (b) members licensed under article 131 shall
34 not, directly or indirectly, interfere with the clinical judgment or
35 legitimate clinical practice of a professional licensed under article
36 153, and (c) individuals licensed under article 131 may not order or
37 direct a professional licensed under article 153 of the education law to
38 practice beyond the scope of his or her license under article 153 of the
39 education law, even if supervised directly or indirectly by a profes-
40 sional licensed under article 131.

41 § 5. Paragraph (a) of section 1503 of the business corporation law,
42 as amended by chapter 475 of the laws of 2014, is amended to read as
43 follows:

44 (a) Notwithstanding any other provision of law, (i) one or more indi-
45 viduals duly authorized by law to render the same professional service
46 within the state may organize, or cause to be organized, a professional
47 service corporation for pecuniary profit under this article for the
48 purpose of rendering the same professional service, except that one or
49 more individuals duly authorized by law to practice professional engi-
50 neering, architecture, landscape architecture, land surveying or geology
51 within the state may organize, or cause to be organized, a professional
52 service corporation or a design professional service corporation for
53 pecuniary profit under this article for the purpose of rendering such
54 professional services as such individuals are authorized to practice,
55 and, (ii) one or more individuals duly licensed to practice medicine and
56 one or more psychologists licensed under article one hundred fifty-three

1 of the education law, who may be board certified or qualified by his or
2 her respective professional specialty boards, may organize, or cause to
3 be organized, for business purposes only, a multidisciplinary profes-
4 sional service corporation formed for pecuniary profit under this arti-
5 cle for the purpose of rendering integrated and non-integrated profes-
6 sional services within such a corporation as such individuals are
7 authorized to practice individually in his or her respective
8 professions, provided that the clinical integration of professional
9 practices within an entity organized under this section does not alter,
10 expand or curtail the scope of practice of any of the individuals
11 licensed under the statute of his or her respective professional enab-
12 ling law; that the clinical judgment, management and clinical decision-
13 making of one or more article one hundred thirty-one providers in an
14 integrated, multidisciplinary practice shall be controlling; that
15 members licensed under article one hundred fifty-three of the education
16 law, shall not, directly or indirectly, interfere with the clinical
17 judgment or legitimate clinical practice of a professional licensed
18 under article one hundred thirty-one; and that individuals licensed
19 under article one hundred thirty-one may not order or direct a profes-
20 sional licensed under article one hundred fifty-three of the education
21 law to practice beyond the scope of his or her license under article one
22 hundred fifty-three of the education law in a professional service
23 limited liability company, even if supervised directly or indirectly by
24 a professional licensed under article one hundred thirty-one.

25 § 6. Subdivision (q) of section 121-1500 of the partnership law, as
26 amended by chapter 475 of the laws of 2014, is amended to read as
27 follows:

28 (q) Each partner of a registered limited liability partnership formed
29 to provide medical services in this state must be licensed pursuant to
30 article 131 of the education law to practice medicine in this state and
31 each partner of a registered limited liability partnership formed to
32 provide dental services in this state must be licensed pursuant to arti-
33 cle 133 of the education law to practice dentistry in this state. Each
34 partner of a registered limited liability partnership formed to provide
35 veterinary services in this state must be licensed pursuant to article
36 135 of the education law to practice veterinary medicine in this state.
37 Each partner of a registered limited liability partnership formed to
38 provide professional engineering, land surveying, geological services,
39 architectural and/or landscape architectural services in this state must
40 be licensed pursuant to article 145, article 147 and/or article 148 of
41 the education law to practice one or more of such professions in this
42 state. Each partner of a registered limited liability partnership formed
43 to provide licensed clinical social work services in this state must be
44 licensed pursuant to article 154 of the education law to practice clin-
45 ical social work in this state. Each partner of a registered limited
46 liability partnership formed to provide creative arts therapy services
47 in this state must be licensed pursuant to article 163 of the education
48 law to practice creative arts therapy in this state. Each partner of a
49 registered limited liability partnership formed to provide marriage and
50 family therapy services in this state must be licensed pursuant to arti-
51 cle 163 of the education law to practice marriage and family therapy in
52 this state. Each partner of a registered limited liability partnership
53 formed to provide mental health counseling services in this state must
54 be licensed pursuant to article 163 of the education law to practice
55 mental health counseling in this state. Each partner of a registered
56 limited liability partnership formed to provide psychoanalysis services

1 in this state must be licensed pursuant to article 163 of the education
2 law to practice psychoanalysis in this state. Each partner of a regis-
3 tered limited liability partnership formed to provide applied behavior
4 analysis service in this state must be licensed or certified pursuant to
5 article 167 of the education law to practice applied behavior analysis
6 in this state. Each partner of a registered limited liability partner-
7 ship formed to provide integrated, multidisciplinary medical and psycho-
8 logical services, as such services are respectively defined under arti-
9 cle 131 and article 153 of the education law, (i) must be licensed
10 pursuant to article 131 or article 153 of the education law to practice
11 his or her profession in this state, (ii) shall only practice his or her
12 profession as specified in his or her respective professional enabling
13 statute under article 131 or article 153 of the education law, and (iii)
14 the clinical integration of professional practices within an integrated,
15 multi-disciplinary entity organized under this section does not alter,
16 expand or curtail the scope of practice of any of the individuals
17 licensed under the statute of his or her respective professional enabl-
18 ing law, provided that: (a) members licensed under article 153 of the
19 education law, shall not, directly or indirectly, interfere with the
20 clinical judgment or legitimate clinical practice of a professional
21 licensed under article 131, (b) members licensed under article 131 shall
22 not, directly or indirectly, interfere with the clinical judgment or
23 legitimate clinical practice of a professional licensed under article
24 153, and (c) individuals licensed under article 131 may not order or
25 direct a professional licensed under article 153 of the education law to
26 practice beyond the scope of his or her license under article 153 of the
27 education law, even if supervised directly or indirectly by a profes-
28 sional licensed under article 131.

29 § 7. Subdivision (q) of section 121-1502 of the partnership law, as
30 amended by chapter 475 of the laws of 2014, is amended to read as
31 follows:

32 (q) Each partner of a foreign limited liability partnership which
33 provides medical services in this state must be licensed pursuant to
34 article 131 of the education law to practice medicine in the state and
35 each partner of a foreign limited liability partnership which provides
36 dental services in the state must be licensed pursuant to article 133 of
37 the education law to practice dentistry in this state. Each partner of a
38 foreign limited liability partnership which provides veterinary service
39 in the state shall be licensed pursuant to article 135 of the education
40 law to practice veterinary medicine in this state. Each partner of a
41 foreign limited liability partnership which provides professional engi-
42 neering, land surveying, geological services, architectural and/or land-
43 scape architectural services in this state must be licensed pursuant to
44 article 145, article 147 and/or article 148 of the education law to
45 practice one or more of such professions. Each partner of a foreign
46 limited liability partnership which provides licensed clinical social
47 work services in this state must be licensed pursuant to article 154 of
48 the education law to practice licensed clinical social work in this
49 state. Each partner of a foreign limited liability partnership which
50 provides creative arts therapy services in this state must be licensed
51 pursuant to article 163 of the education law to practice creative arts
52 therapy in this state. Each partner of a foreign limited liability part-
53 nership which provides marriage and family therapy services in this
54 state must be licensed pursuant to article 163 of the education law to
55 practice marriage and family therapy in this state. Each partner of a
56 foreign limited liability partnership which provides mental health coun-

1 selling services in this state must be licensed pursuant to article 163
2 of the education law to practice mental health counseling in this state.
3 Each partner of a foreign limited liability partnership which provides
4 psychoanalysis services in this state must be licensed pursuant to arti-
5 cle 163 of the education law to practice psychoanalysis in this state.
6 Each partner of a foreign limited liability partnership which provides
7 applied behavior analysis services in this state must be licensed or
8 certified pursuant to article 167 of the education law to practice
9 applied behavior analysis in this state. Each partner of a foreign
10 limited liability partnership formed to provide integrated, multidisci-
11 plinary medical and psychological services, as such services are defined
12 under article 131 or article 153 of the education law, (i) must be
13 licensed pursuant to article 131 or article 153 of the education law to
14 practice his or her profession in this state, (ii) shall only practice
15 his or her profession as specified in his or her respective professional
16 enabling statute under article 131 or article 153 of the education law,
17 and (iii) the clinical integration of professional practices within an
18 integrated, multidisciplinary entity organized under this section does
19 not alter, expand or curtail the scope of practice of any of the indi-
20 viduals licensed under the statute of his or her respective professional
21 enabling law, provided that: (a) members not licensed under article 131
22 of the education law, shall not, directly or indirectly, interfere with
23 the clinical judgment or legitimate clinical practice of a professional
24 licensed under article 131, (b) members licensed under article 131 shall
25 not, directly or indirectly, interfere with the clinical judgment or
26 legitimate clinical practice of a professional licensed under article
27 153, and (c) individuals licensed under article 131 may not order or
28 direct a professional licensed under article 153 of the education law to
29 practice beyond the scope of his or her license under article 153 of the
30 education law, even if supervised directly or indirectly by a profes-
31 sional licensed under article 131.

32 § 8. Subdivision 1 of section 2801 of the public health law, as
33 amended by section 1 of subpart B of part S of chapter 57 of the laws of
34 2018, is amended to read as follows:

35 1. "Hospital" means a facility or institution engaged principally in
36 providing services by or under the supervision of a physician or, in the
37 case of a dental clinic or dental dispensary, of a dentist, or, in the
38 case of a midwifery birth center, of a midwife, for the prevention,
39 diagnosis or treatment of human disease, pain, injury, deformity or
40 physical condition, including, but not limited to, a general hospital,
41 public health center, diagnostic center, treatment center, dental clin-
42 ic, dental dispensary, rehabilitation center other than a facility used
43 solely for vocational rehabilitation, nursing home, tuberculosis hospi-
44 tal, chronic disease hospital, maternity hospital, midwifery birth
45 center, lying-in-asylum, out-patient department, out-patient lodge,
46 dispensary and a laboratory or central service facility serving one or
47 more such institutions, but the term hospital shall not include an
48 institution, sanitarium or other facility engaged principally in provid-
49 ing services for the prevention, diagnosis or treatment of mental disa-
50 bility and which is subject to the powers of visitation, examination,
51 inspection and investigation of the department of mental hygiene except
52 for those distinct parts of such a facility which provide hospital
53 service. The provisions of this article shall not apply to a facility or
54 institution engaged principally in providing services by or under the
55 supervision of the bona fide members and adherents of a recognized reli-
56 gious organization whose teachings include reliance on spiritual means

1 through prayer alone for healing in the practice of the religion of such
2 organization and where services are provided in accordance with those
3 teachings or to a business corporation, limited liability corporation or
4 partnership between a medical doctor and a duly licensed healthcare
5 professional under title VIII of the education law. No provision of this
6 article or any other provision of law shall be construed to: (a) limit
7 the volume of mental health or substance use disorder services that can
8 be provided by a provider of primary care services licensed under this
9 article and authorized to provide integrated services in accordance with
10 regulations issued by the commissioner in consultation with the commis-
11 sioner of the office of mental health and the commissioner of the office
12 of alcoholism and substance abuse services, including regulations issued
13 pursuant to subdivision seven of section three hundred sixty-five-1 of
14 the social services law or part L of chapter fifty-six of the laws of
15 two thousand twelve; (b) require a provider licensed pursuant to article
16 thirty-one of the mental hygiene law or certified pursuant to article
17 thirty-two of the mental hygiene law to obtain an operating certificate
18 from the department if such provider has been authorized to provide
19 integrated services in accordance with regulations issued by the commis-
20 sioner in consultation with the commissioner of the office of mental
21 health and the commissioner of the office of alcoholism and substance
22 abuse services, including regulations issued pursuant to subdivision
23 seven of section three hundred sixty-five-1 of the social services law
24 or part L of chapter fifty-six of the laws of two thousand twelve.

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

27 19. Permitting any person to share in the fees for professional
28 services, other than: a partner, employee, associate in a professional
29 firm or corporation, professional subcontractor or consultant authorized
30 to practice medicine, or a legally authorized trainee practicing under
31 the supervision of a licensee or a psychologist providing professional
32 services in the same practice. This prohibition shall include any
33 arrangement or agreement whereby the amount received in payment for
34 furnishing space, facilities, equipment or personnel services used by a
35 licensee constitutes a percentage of, or is otherwise dependent upon,
36 the income or receipts of the licensee from such practice, except as
37 otherwise provided by law with respect to a facility licensed pursuant
38 to article twenty-eight of the public health law or article thirteen of
39 the mental hygiene law;

40 § 10. This act shall take effect immediately.