

SENATE BILL NO. 2128

Introduced by

Senators Lee, Anderson, K. Roers

Representatives D. Anderson, Dobervich, Weisz

1 A BILL for an Act to amend and reenact section 43-17-42 of the North Dakota Century Code,
2 relating to the corporate practice of medicine by nonprofit entities and charitable trusts.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. AMENDMENT.** Section 43-17-42 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **43-17-42. Employment of physicians by hospitals - Employment of physicians by**
7 **nonprofit entities and charitable trusts for hyperbaric oxygen therapy.**

- 8 1. Notwithstanding any other provision of law, a hospital licensed under chapter 23-16
9 may employ directly or indirectly a physician ~~provided that~~if the employment
10 relationship between the physician and hospital is evidenced by a written contract
11 ~~containing. The written contract must contain~~ language to the effect that the hospital's
12 employment relationship with the physician may not affect the exercise of the
13 physician's independent judgment in the practice of medicine, and the physician's
14 independent judgment in the practice of medicine is in fact unaffected by the
15 physician's employment relationship with the hospital. Under this section ~~subsection~~ a
16 hospital may ~~not be deemed to be~~ not engaged in the practice of medicine.
- 17 2. Notwithstanding any other provision of law, a nonprofit entity or charitable trust may
18 employ directly or indirectly a physician to conduct hyperbaric oxygen therapy if the
19 employment relationship between the physician and nonprofit entity or charitable trust
20 is evidenced by a written contract. The written contract must contain language to the
21 effect the nonprofit entity's or charitable trust's employment relationship with the
22 physician may not affect the exercise of the physician's independent judgment in the
23 practice of medicine, and the physician's independent judgment in the practice of
24 medicine is in fact unaffected by the physician's employment relationship with the

- 1 nonprofit entity or charitable trust. Under this subsection a nonprofit entity or charitable
- 2 trust is not engaged in the practice of medicine.