

CHAPTER 34

PROFESSIONS AND OCCUPATIONS

HOUSE BILL 06-1069

BY REPRESENTATIVE(S) Crane, Butcher, Frangas, Schultheis, Stafford, and Todd;
also SENATOR(S) Hanna, Tochtrop, and Williams.

AN ACT

**CONCERNING AN EXEMPTION FROM THE PROHIBITION AGAINST THE CORPORATE PRACTICE OF
PODIATRY FOR A PODIATRIST EMPLOYED BY A HEALTH CARE ENTITY.**

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 12-32-109.5 (2) and (5), Colorado Revised Statutes, are amended to read:

12-32-109.5. Professional service corporations, limited liability companies, and registered limited liability partnerships for the practice of podiatry - definitions. (2) (a) The corporation shall do nothing which, if done by a person licensed to practice podiatry in the state of Colorado employed by it, would violate the standards of professional conduct as provided for in section 12-32-107 (3). Any violation by the corporation of this section shall be grounds for the Colorado podiatry board to terminate or suspend its right to practice podiatry.

(b) THE PROVISIONS OF PARAGRAPH (b) OF SUBSECTION (5) OF THIS SECTION SHALL APPLY TO THE EMPLOYMENT OF A PODIATRIST BY A PROFESSIONAL SERVICE CORPORATION, LIMITED LIABILITY COMPANY, OR REGISTERED LIMITED LIABILITY PARTNERSHIP FORMED FOR THE PRACTICE OF PODIATRY IN ACCORDANCE WITH THIS SECTION REGARDLESS OF THE DATE OF FORMATION OF THE ENTITY.

(5) (a) Except as provided in this section, corporations shall not practice podiatry.

(b) EMPLOYMENT OF A PODIATRIST BY A CERTIFIED OR LICENSED HOSPITAL, LICENSED SKILLED NURSING FACILITY, CERTIFIED HOME HEALTH AGENCY, LICENSED HOSPICE, CERTIFIED COMPREHENSIVE OUTPATIENT REHABILITATION FACILITY, CERTIFIED REHABILITATION AGENCY, AUTHORIZED HEALTH MAINTENANCE ORGANIZATION, ACCREDITED EDUCATIONAL ENTITY, OR OTHER ENTITY WHOLLY

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

OWNED AND OPERATED BY ANY GOVERNMENTAL UNIT OR AGENCY SHALL NOT BE CONSIDERED THE CORPORATE PRACTICE OF PODIATRY IF:

(I) THE RELATIONSHIP CREATED BY THE EMPLOYMENT DOES NOT AFFECT THE ABILITY OF THE PODIATRIST TO EXERCISE HIS OR HER INDEPENDENT JUDGMENT IN THE PRACTICE OF THE PROFESSION;

(II) THE PODIATRIST'S INDEPENDENT JUDGMENT IN THE PRACTICE OF THE PROFESSION IS IN FACT UNAFFECTED BY THE RELATIONSHIP;

(III) THE POLICIES OF THE ENTITY EMPLOYING THE PODIATRIST CONTAIN A PROCEDURE BY WHICH COMPLAINTS BY A PODIATRIST ALLEGING A VIOLATION OF THIS PARAGRAPH (b) MAY BE HEARD AND RESOLVED;

(IV) THE PODIATRIST IS NOT REQUIRED TO EXCLUSIVELY REFER ANY PATIENT TO A PARTICULAR PROVIDER OR SUPPLIER; EXCEPT THAT NOTHING IN THIS SUBPARAGRAPH (IV) SHALL INVALIDATE THE POLICY PROVISIONS OF A CONTRACT BETWEEN A PODIATRIST AND HIS OR HER INTERMEDIARY OR THE MANAGED CARE PROVISIONS OF A HEALTH COVERAGE PLAN; AND

(V) THE PODIATRIST IS NOT REQUIRED TO TAKE ANY OTHER ACTION HE OR SHE DETERMINES NOT TO BE IN THE PATIENT'S BEST INTEREST.

(c) A PODIATRIST EMPLOYED BY AN ENTITY DESCRIBED IN PARAGRAPH (b) OF THIS SUBSECTION (5) SHALL BE AN EMPLOYEE OF THE ENTITY FOR PURPOSES OF LIABILITY FOR ALL ACTS, ERRORS, AND OMISSIONS OF THE EMPLOYEE.

SECTION 2. 12-32-109.5 (6), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

12-32-109.5. Professional service corporations, limited liability companies, and registered limited liability partnerships for the practice of podiatry - definitions. (6) As used in this section, unless the context otherwise requires:

(d.5) "HEALTH BENEFIT PLAN" SHALL HAVE THE SAME MEANING AS SET FORTH IN SECTION 10-16-102 (21), C.R.S.

SECTION 3. Effective date. This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution (August 9, 2006, if adjournment sine die is on May 10, 2006); except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

Approved: March 27, 2006