

2021 Regular Session

HOUSE CONCURRENT RESOLUTION NO. 125

BY REPRESENTATIVE WRIGHT

A CONCURRENT RESOLUTION

To authorize and direct the House Committee on Commerce, or a subcommittee thereof, and the Senate Committee on Commerce, Consumer Protection, and International Affairs, or a subcommittee thereof, to meet and to function as a joint committee to study the role and effects of noncompetition agreements relative to physicians in the state and to report the findings of the joint committee to the legislature prior to the convening of the 2022 Regular Session of the Legislature of Louisiana.

WHEREAS, as a matter of public policy, Louisiana has demonstrated a long-held position limiting noncompetition agreements; and

WHEREAS, noncompetition agreements prohibit an individual from competing in a designated geographical area for a specified period of time; and

WHEREAS, noncompetition agreements are enforceable against physicians; and

WHEREAS, enforcement of noncompetition agreements relative to physicians may limit the freedom of patients to choose their treating physician; and

WHEREAS, noncompetition agreements may exacerbate physician shortages in many Louisiana parishes; and

WHEREAS, hospitals and physician-owned clinics find value in noncompetition agreements as these limiting agreements protect investments in employees and the services those employees provide to their patients; and

WHEREAS, physicians gain new knowledge, learn new skills, and build their reputation while in practice; and

WHEREAS, noncompetition agreements may encourage retention and deter employed physicians from leaving their current practices; and

WHEREAS, according to the 2018 American Medical Association economic impact study, physicians bring economic prosperity to communities through more than one hundred

thousand jobs, more than nineteen million dollars in economic activity, more than six hundred million dollars in state and local tax revenue, and nearly nine billion dollars in wages and benefits; and

WHEREAS, the interest on both sides of noncompetition agreements for physicians need to be better understood in order to effectively legislate and regulate concerns arising from these types of restrictive agreements.

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby direct the House Committee on Commerce, or a subcommittee thereof, and the Senate Committee on Commerce, Consumer Protection, and International Affairs, or a subcommittee thereof, to meet and to function as a joint committee to study various aspects of noncompetition agreements relative to physicians in the state and to report the findings of the joint committee to the legislature prior to the convening of the 2022 Regular Session of the Legislature of Louisiana.

BE IT FURTHER RESOLVED that the Legislature of Louisiana further directs the joint committee to solicit input, information, data, recommendations, and advice from the following persons, agencies, and organizations:

- (1) Louisiana Children's Medical Center.
- (2) Louisiana Department of Health.
- (3) Louisiana Hospital Association.
- (4) Louisiana State Medical Society.
- (5) Physicians currently employed by public universities in the state.
- (6) Physicians currently practicing medicine in the state.
- (7) Representatives from the Cardiovascular Institute of the South.
- (8) Representatives from the Louisiana Orthopaedic Association.
- (9) Representatives from Ochsner Health.
- (10) Representatives from Our Lady of the Lake Regional Medical Center and its affiliated campuses.
- (11) Representatives of physician-owned clinics in the state.
- (12) Representatives of Willis-Knighton Medical Center.
- (13) The Rural Hospital Coalition of Louisiana.

(14) Any persons, agencies, entities, or stakeholders that the joint committee deems necessary to fulfill its purposes.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE